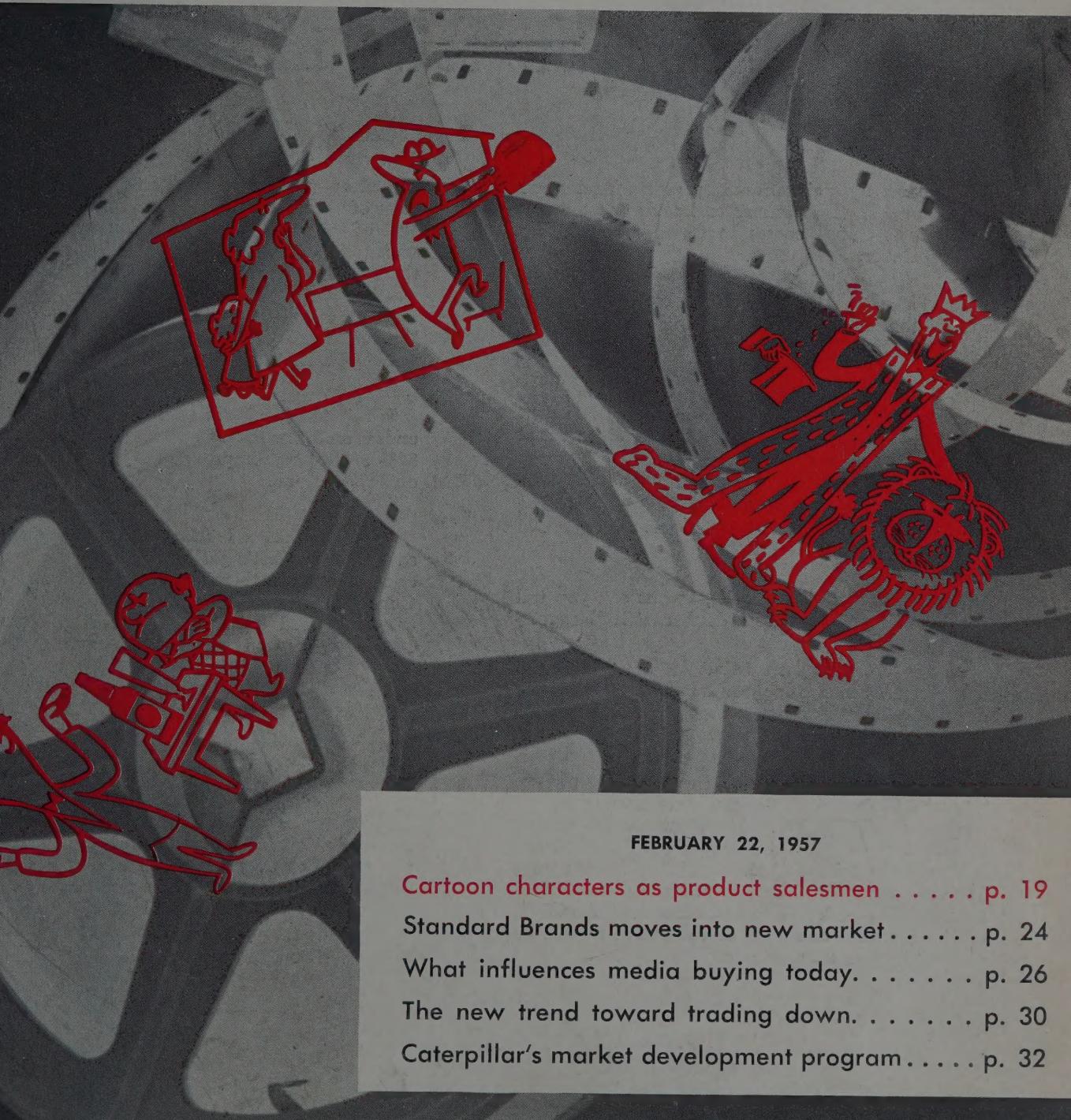


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Tide

THE MAGAZINE FOR ADVERTISING EXECUTIVES



FEBRUARY 22, 1957

- Cartoon characters as product salesmen p. 19
- Standard Brands moves into new market p. 24
- What influences media buying today. p. 26
- The new trend toward trading down. p. 30
- Caterpillar's market development program. p. 32



How did a traveling salesman paint the town in Chicago?

Some come by train. Some by plane. And some by car or bus. But sooner or later almost every traveling salesman comes to Chicago. Including Charlie Baker.

And like most salesmen who visit Chicago, Charlie wanted to paint the town. Only Charlie's mind was strictly on business.

He represented the Cover-Up Paint Company, which was planning to promote its line in Chicago. And it was Charlie's job to find out all he could about the market.

So he walked up the Avenue to a big building with a tower on top and asked to see a certain Old Master named Joe.

"Say Joe," queried Charlie, "what can you tell me about the paint brush and dauber set in Chicago?"

And it just so happened that Joe could tell quite a lot. That's because Joe worked for the advertising department of the Chicago Tribune and it was *his* job to know about the Chicago market.



So here's the pretty picture Joe painted for Charlie: Evidently almost everything that stands still in Chicago is about to be painted. According to a Tribune study, 192,000 metropolitan home owners plan to do outside painting—180,000 to paint interiors. And 84% of the interiors and 79% of the exteriors will be painted by amateur artisans.

And apparently you can't tell a painter by color of his collar. 88% of the blue collar group and 78% of the white collar clan plan to wield brush on interiors; 83% of the exterior painting will be done by the boys in blue—73% by white collared weekend handymen.



Who's the inspiration for most of these artistic endeavors? The little woman, natch. She instigated 82% of the home improvement jobs—actually helped on 34% of them.

"Well, thanks a lot for this information, Joe," said Charlie. "Let's get out the dropcloth and ladders. I can see there's a big opportunity for the Cover-Up Paint Company in Chicago. But we'll certainly need a big thick advertising brush to adequately cover the market."

And before Joe could go into his dance about reader preference, impact, or rate-per-page-per-thousand, Charlie decided to do-it-himself and contracted for advertising space in the Tribune.

Now maybe you sell packsacks or peanuts instead of paint. But if you want help in figuring out the potential or perplexities of the big Chicago market, remember to call on Joe. Nobody knows Chicago like the Tribune. Nothing sells Chicago like the Tribune. And Joe's the one to paint your picture for you.

Chicago Tribune

THE WORLD'S GREATEST NEWSPAPER



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Trade-ins are being accepted in new product fields. Here's who's doing it, what it portends.

Advertisers tell how they get advertising budgets approved by top management.

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in this issue

CARTOON CHARACTERS AS PRODUCT SALESMEN

More & more advertisers are turning to cartoon characters as product salesmen. Here's why and how they use the device.

NEW RETAILING TRENDS.....

Supermarkets are offering broader lines and more conveniences, including 24-hour-a-day service in an attempt to get a bigger slice of the consumer dollar.

STANDARD BRANDS' NEW MARKET.....

Standard Brands plans to capture a lucrative market with its new line, Royal Nuts, by marketing a variety of nut-meats in a special package.

THE UPHEAVAL IN MEDIA BUYING.....

Television's seller's market has disrupted traditional patterns of media planning and buying as a result, advertisers need to plan more carefully but be able to maneuver fast.

A TREND AWAY FROM TRADING UP?.....

After years of trading consumers up to more luxurious, higher-priced products, marketers now seem anxious to reverse the trend. Small appliances makers particularly are selling today on price alone. Here is an evaluation of what looks like a new trend.

CATERPILLAR'S CATALYTIC ADS.....

The leader in earth moving equipment connected the national need for new roads with the vast sales potential in such a project for itself—and then helped spur the public into action.

SUN DRUG EVALUATES MANUFACTURER AIDS.....

As the last in its series on what retailers think of today's point-of-sale material, Tide visits Sun Drug's self-service drugstore in Chicago.

DRUGS & TOILETRIES: LAST BULWARK OF FAIR TRADE....

Here's what major firms and major retailers think of fair trade's chances in the last big hold-out field, drugs & toiletries.

RATING THE RATINGS.....

The Tide Leadership Panel tells what it thinks of the various broadcast audience measuring services and what kind of service it would like to see.

What magazine is read by more women than any other?

New research by Alfred Politz shows that women read a typical issue of the Digest more than 99 million times.

Women today have more schooling than men. A third of all women now work at jobs outside their homes.

With woman's world as broad as it is, you might expect her favorite magazine to be the same as her husband's. It is.

Of the 32,015,000 Americans who read a single issue of Reader's Digest, 17,215,000 are women. They read the magazine an average of 5.8 days apiece. That means that women give the Digest a total of at least 99,630,000 reading days, or "minimum exposures," an issue. In other words, an advertiser in the Reader's

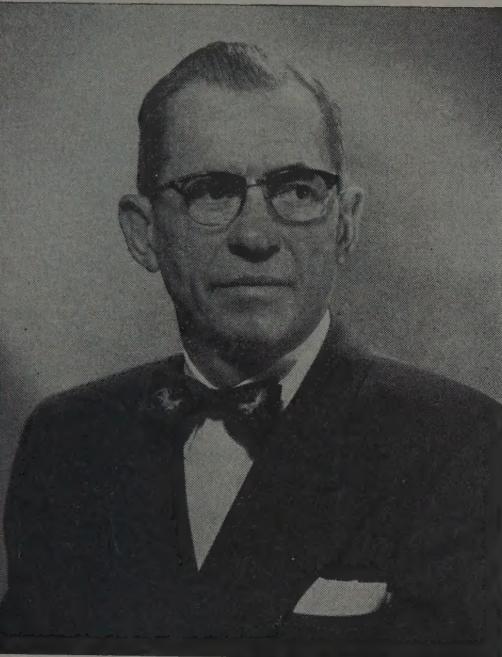
Digest has nearly 100 million opportunities for his sales message to be seen and read by women.

These figures are taken from "A Study of Seven Publications," the nation-wide study recently completed by Alfred Politz Research, Inc.

The Digest has twice the circulation of any other magazine—including those edited primarily for women. It has a substantially larger women's audience. And women turn to it more often than to any other publication in America.

Advertisers in the Digest, benefitting from this enormous readership, have twice as many opportuni-





"MOST HELPFUL THING YOU'VE DONE,"

says Joe Burland,
vice president in charge of media,
Lambert & Feasley, Inc., New York

Mr. Burland was speaking of Standard Rate's inclusion of market maps and market statistics in the Radio, TV and Newspaper Books every month, together with regular listings of media rates and data. He was citing this recent expansion of SRDS service to subscribers as an example of the way so many of Standard Rate's service features have evolved as a direct result of the expressed needs of agency men.

Harking back to the days when he helped to form the Media Men's Association of New York, Mr. Burland said, "When the Association was in its infancy, we spent a lot of time thrashing out which areas of information were needed from various advertising media. Now, get this straight—nobody wanted to ask media people or Standard Rate for things his own clerical staff could work up by themselves. But, there was basic information we really needed for sound media planning and selection that just wasn't available in our shops.

"Market maps have always been at the top of the list. I remember how disturbed everyone was when the state maps were dropped out of SRDS during the paper shortage. And let me tell you—your recent decision to put market maps and market data all into the monthly Radio, TV and Newspaper Books is one of the most helpful things you've done within my memory. And I've been a media man for longer than I'd care to admit."

It may interest you to read the story of how SRDS came to provide so much more than just the maps Joe Burland and his associates asked for.

Market data for media buying
Some years back, Standard Rate set out to assemble market maps and data especially compiled for use as yardsticks for evaluating a company's best *advertising* markets, and for arriving at *most efficient media coverage of those markets*. This includes data on population, number of households, and consumer spendable income per house-

hold, for the U.S., for regions, and by states, counties, cities and metropolitan areas. To this was added retail sales data in major store classes.

This was originally supplied in an annual volume called **CONSUMER MARKETS**.

For five years **CONSUMER MARKETS** served the advertising profession as a counterpart guide to market and media selection—used hand in hand with the regular SRDS monthly books containing media listings.

But the publishers of Standard Rate & Data Service sensed that this still was not properly and fully serving those engaged in the media-buying function. The data, while comprehensive, was voluminous and detailed. The annual volume did not reflect important changes in many fast-growing markets. And it was not readily accessible to all agency personnel who needed it at the time they were planning campaigns or selecting media.

What could be done to improve this service? (continued on next page)

The course was clearly marked

There appeared to be no proper choice for SRDS but to put the maps and the data right into the monthly editions of the Radio, TV and Newspaper books. But first, Standard Rate's Executive Committee examined all practical considerations that would bear upon their final decision. For example, the maps, data pages, summary sections and explanatory material would require 650 additional pages every month—over 600 additional hours of composition every month—over 3,000 additional man-hours of linotype work per month—about 4 tons of extra metal each month... truly a monumental and costly task.

But after forty years in the business of serving the media-buying function there was really no serious question that the investment would be made... that market maps and market statistics would henceforth appear every month in the

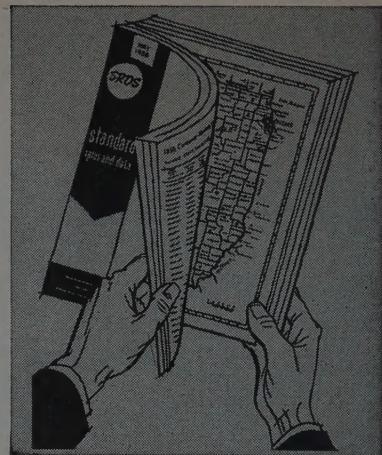
regular editions of the local media SRDS books.

Since May 1956, market data appearing in Standard Rate each month has been "as of January 1, 1956." During the past six months all of Standard Rate's data has been revised and up-dated to July 1, 1956. This *current* data will appear in monthly issues beginning with November.

This added SRDS service matches the changing concept of the media-buying function.

Few today are the agencies that buy time and space by rote. Many and fast growing in numbers are the agencies that employ what might be termed "creative media selection."

Local media selection is more complex than in the past. Today agencies study markets and market coverage by states, by regions, and always by the areas of coverage afforded by the media under con-



Now with market maps and data in SRDS every month, agencies have convenient access to good, reliable market information at the time they're making advertising plans and media decisions.

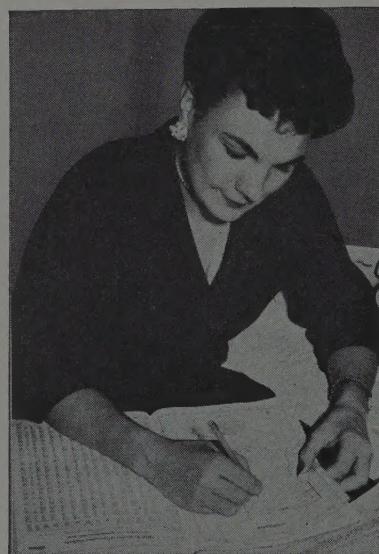
sideration. They deal in terms of TV markets, radio markets, newspaper markets—meaning the population; the households; the spendable income covered by this or that medium or a combination of media.

New service scores hit with agency people



John L. Snodgrass, Space Buyer
Dancer-Fitzgerald-Sample, Inc., New York

"Our whole department is very enthusiastic about the maps and market data in the monthly SRDS books. Standard Rate has always been a vital part of our everyday activity... now it's more important than ever. Everything we need is right here in one book."



Ruth Babick, Time Buyer
Earle Ludgin & Company, Chicago, Illinois

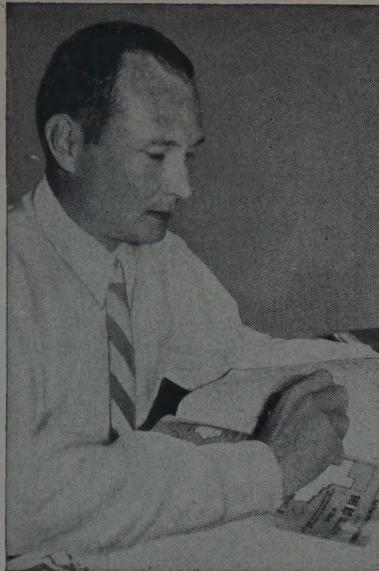
"Just want you to know that I think the new features in the Radio and TV SRDS are great, especially the maps.

"Don't know how we did without it before."



Jack L. Matthews, Media Director
Clinton E. Frank, Inc., Chicago, Illinois

"SRDS has performed a truly valuable service by combining market and media data within one convenient source. It reduces 'book-hopping' and provides an excellent means of relating the media problem to the area involved."



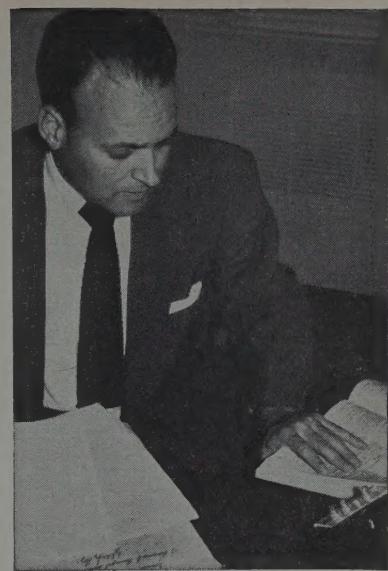
Frank J. Brennan, Space Buyer
D'Arcy Advertising Company, New York

"The thing I like best about the new SRDS format is the maps. In the past I've had to run to another department to borrow an atlas, only to find that someone else had borrowed it. Now I just turn to the state maps and find any media city shown clearly and accurately. And speaking of maps, I sure like the 'plastic' ads that some newspapers are running in your books over the maps."



Holly Shively, Head Time Buyer
Ruthrauff & Ryan, Chicago, Ill.

"This is a big help to us . . . saves us time and steps. Just yesterday I used a state map to plot coverage areas of several TV stations throughout the state. After that, I just turned the page to find the population of cities in each coverage area and then turned a few more pages and there was all the regular SRDS information on rates, etc. This is a wonderful idea."



William Barker, Assistant Media Director
Needham, Louis and Broby, Inc., Chicago, Ill.

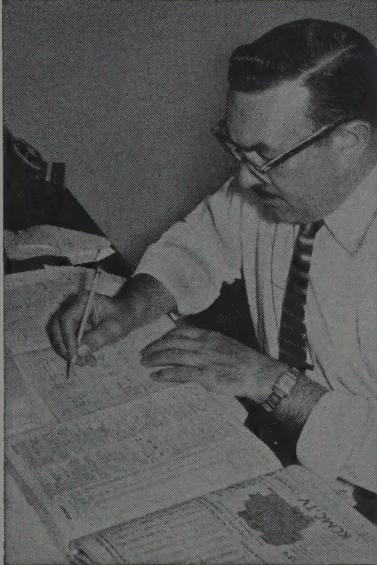
"In my opinion, the combination of rates with market information will greatly simplify the media-buying function.

"I also wish to express my pleasure with the inclusion of a map of each state, which is a great help in giving a clear concept of the relative geographical location of markets and population centers."



Peter I. Marron, Media Buyer
Warwick & Legler, Inc., New York, N.Y.

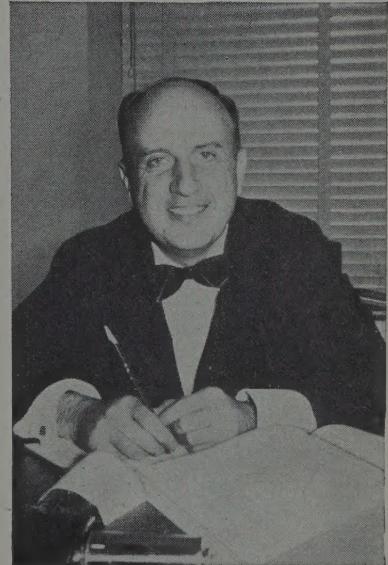
"The buyers and estimators in our department are very enthusiastic about this new development in Standard Rate. Much time is saved and confusion eliminated, by having practically everything we need to do a complete analysis of a newspaper and its market right here in SRDS' Newspaper Book."



Harry C. Pick, Media Director
Dancer-Fitzgerald-Sample, Inc., Chicago, Ill.

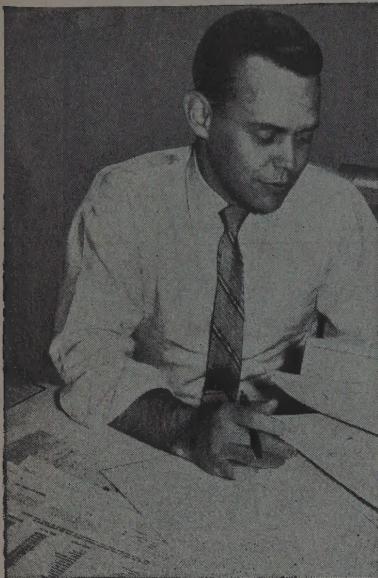
"This is a very excellent move on your part.

"Knowing that all three—maps, market data and listings—are together means that on a moment's notice I can get a lot of information that will help me evaluate and select specific markets and media."



Thomas J. Ellis, Media Director
Grant Advertising, Inc., N.Y.

"Now that I've used your new books incorporating maps, market data and media information I realize this is something I've needed for a long time. Congratulations on 'leading' me to an easier way to do the job. I've been using these three kinds of information for years—but turned to separate sources for them."



James M. Kelly, TV & Radio Time Buyer
Fletcher D. Richards, New York

"This has been a really valuable addition to Standard Rate, as far as we're concerned. Now we have practically everything we need to select stations and markets . . . maps, market data and, of course, the regular rate and other information in SRDS."



Harry N. Sager, Media Director
Kenyon & Eckhardt, Inc., Chicago, Illinois

"This is something we have needed for a long time. SRDS, by putting market data, maps and media information all in one volume every month, has given buyers of media another 'boost' in helping us do our jobs easier and faster."



Sally S. Mansfield,
Associate Media Director
C. J. LaRoche, New York

"If we'd had our choice as to what we wanted in the Newspaper book, it would have been just what you people put in . . . maps and market data. Practically everything we need is now all in one, up-to-date volume. Many thanks to Standard Rate for another help to us."



Edward R. Fitzgerald, Time Buyer
J. Walter Thompson Company, Chicago

"There's so much pertinent material—market data, maps, ranking tables, sales figures—that we couldn't possibly use all of it within a single month. Don't misunderstand—we want all of it—every month. Just knowing it's all there is wonderful. We can reach for one book now to answer practically any question that's aimed at the media department."

The Tacoma News Tribune acetate map overlay shown opposite, as it actually appeared in *Newspaper Rates & Data*, is an outstanding example of the ways many media now add helpful information in the form of Service-Ads supplementing the market statistics pertaining to their region, state, city or area. Many other Service-Ads in the market sections of the *Spot Radio*, *Spot Television* and *Newspaper* books provide useful data on the markets the media cover.

The BUSINESS end of Puget Sound

*This is the SALES PICTURE
in the State of Washington*

Tacoma, Washington—Here's where BUSINESS is . . . where people and buying potential are concentrated. Population growth in Pierce County (Tacoma) alone was 51.5% from 1940 to 1950 . . . this compares with a 27% growth for Washington State and a national rate of growth of 14.9% over the same period.

Here's where retail sales totalled \$475,340,000—June 1955 to June 1956. One out of every three Puget Sound dollars is spent in Tacoma . . . the "Business" end of Puget Sound, one of the Pacific Northwest's price sales targets.

Tacoma families are buying families—a diversified industrial market whose giant payrolls are being spent across the counter every day.

PER HOUSEHOLD SALES

(from July 1, 1955 to June 30, 1956)

	TACOMA	Pacific Northwest	U. S.
Food Sales	\$920	\$922	\$916
Drug Sales	137	114	113
Gen'l Merch	452	443	419
Home Furnishings	211	191	212

TACOMA MARKET DATA

(from July 1, 1955 to June 30, 1956)

	Metro Area	State Ranking	Trading Zone	State Ranking
Population	304,500	2	419,000	2
Households	89,920	2	128,010	2
Cont. Spend. Int.	\$500,589,000	2	\$731,498,000	2
Retail Sales	302,593,000	3	475,340,000	2
Food Sales	78,217,200	2	119,941,000	2
Drug Sales	9,381,000	3	17,611,000	2
Gen'l Merch	40,193,000	3	55,262,000	2
Home Furn	17,734,000	2	27,653,000	2
Automotive	35,161,000	3	43,063,000	2

(Source: 7-1-56 SRDS estimates
of consumer markets)

TACOMA is comprised of two separate and distinct markets . . . important areas which require individual coverage. Only the TACOMA NEWS TRIBUNE delivers its half of the Puget Sound area with a circulation of more than 83,000 . . . 91% of its city zone . . . 89% of its metropolitan area . . . 65% of its trading area. For other facts and figures, see our service ad and listing.

TACOMA NEWS TRIBUNE

Represented by SAWYER-FERGUSON-WALKER COMPANY, Inc.

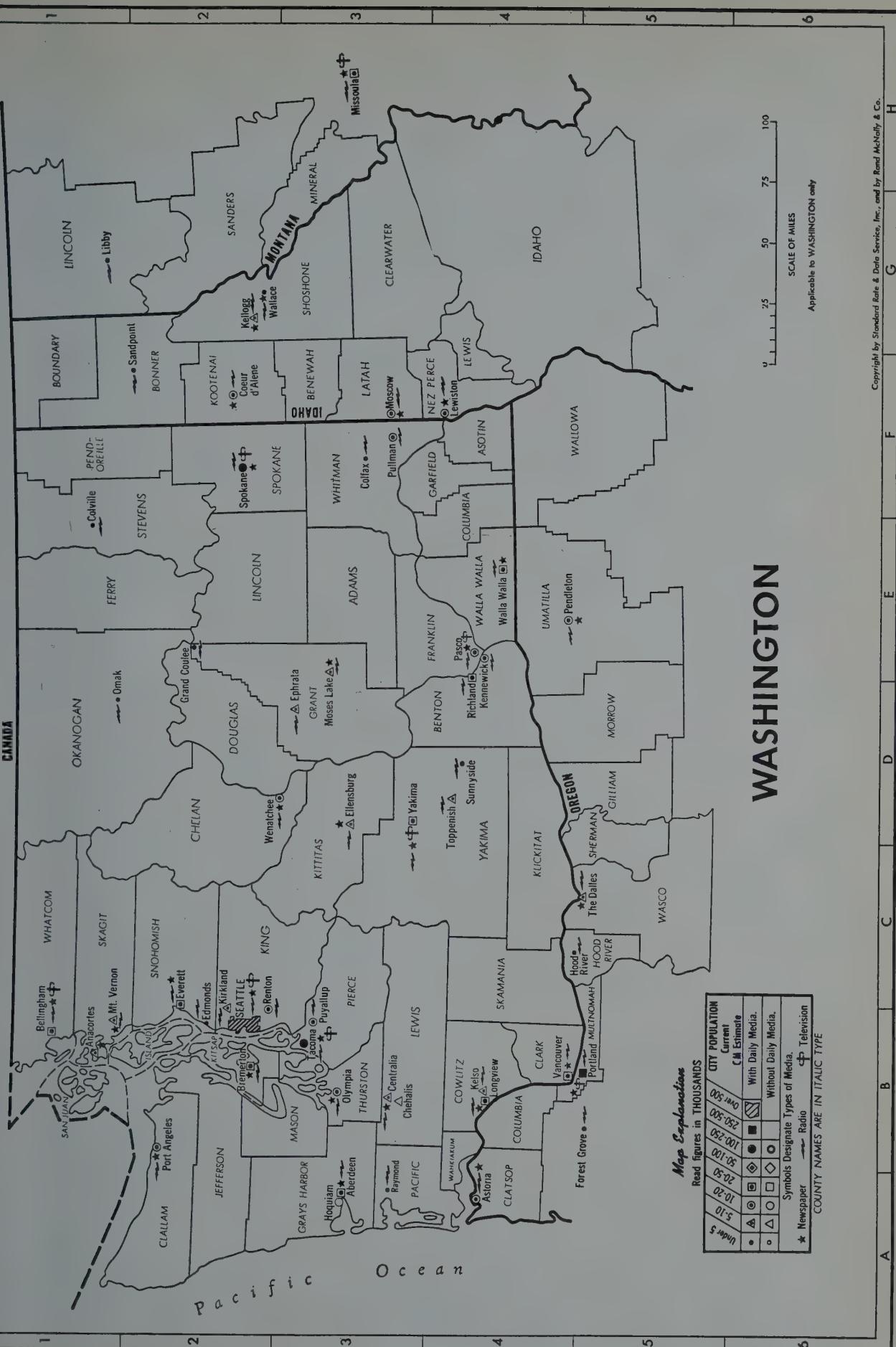
PHILADELPHIA CHICAGO NEW YORK

DETROIT

LOS ANGELES

SAN FRANCISCO

СВЕДЕНИЯ О МОСКОВСКОМ УЧИЛИЩЕ



WASHINGTON

Map Explanations

read figures in thousands

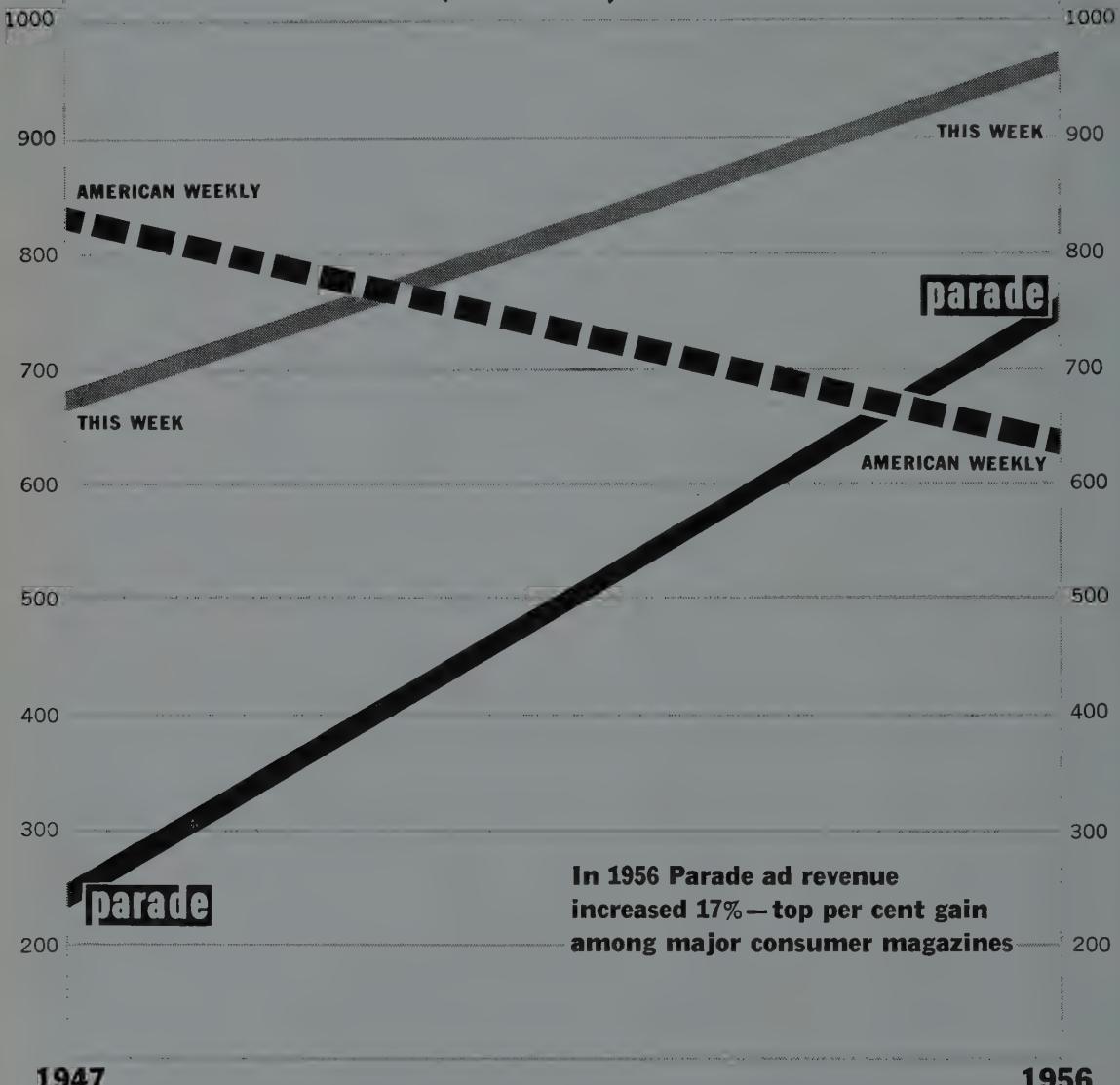
Current		Estimate		With Daily Media.		Without Daily Media.		Television	
Symbol	Designate	Symbol	Designate	Symbol	Designate	Symbol	Designate	Symbol	Designate
●	With Daily Media.	◆	Without Daily Media.	▲	With Daily Media.	○	Without Daily Media.	★	Newspaper
○	With Daily Media.	◆	Without Daily Media.	◆	With Daily Media.	○	Without Daily Media.	□	Radio
◆	With Daily Media.	○	Without Daily Media.	○	With Daily Media.	◆	Without Daily Media.	◆	Television

County names are in italic type
Newspaper — Radio 

State maps like this one appear in the monthly issues of Standard Rate's **Television, Radio and Newspaper books**.

Let's look at the Record!

PAGES OF ADVERTISING IN MAJOR SUNDAY MAGAZINES (1947-1956)



1947

1956



A Sunday reading habit in more than 7 million homes

ADVERTISING — FORECAST

The boom in trade-in marketing:

Look for a rash of trade-in deals in a slew of unlikely product fields. Long the exclusive property of auto selling and large appliances, trading-in is due for a surge in other heavily saturated hard goods fields where sales are lagging.

Leading the new trade-in trend are such product areas as electric razors (e.g., Schick) and table cigaret lighters (e.g., Ronson). Sametime, home trade-ins are gaining favor with builders: trade in your old house as a down payment on a new one. According to the National Assn. of Home Builders, trade-in houses are handled by 35% of builders.

Trade-ins, though, raise some tough questions. How does a retailer accept a trade-in and resell it at a profit without competing with the newest model in the same product line? Is the customer who buys a used model eliminated as a prospect for a new model?

Sears plugs one-stop home fixing center:

Sears, Roebuck & Co., an old hand at new marketing ideas, has still another all set for a big spring promotion.

To pull in maximum store traffic and trigger big sales per customer, Sears will make an all-out push this spring to plug itself as a one-stop home modernization center. Four-color spreads will break in Better Homes & Gardens' March issue and the March 25 Life saying it's time for home modernization and repair. (Sears will doubtlessly back the national campaign with heavy local promotion.)

Sears will give consumers free planning and estimating help, make installation arrangements, furnish do-it-yourself tools (at so much a day) and even work out credit financing of the job ("All of this is done in one place, in your Sears store or catalog sales office").

The national ads, incidentally, carry a coupon. The first 1,000,000 customers who clip the coupon get a brochure featuring a before & after case history about a Sears customer in Joliet (Ill.) who remodeled her bathroom ("no money down and payments as little as \$10 a month").

Philip Morris back into network TV:

It looks as if Philip Morris, Inc., has finally finished revamping its product line. Tipoff: a strong return to network television after an 18-month layoff.

Nearly two years ago PM undertook these major face-liftings: it shook up product and package for Marlboro, Parliament and Spud, dubbed the old Parliament Benson & Hedges, repackaged Philip Morris and put PM longs in a fliptop box. PM's market-by-market introduction strategy for the refurbished brands (Tide—May 5, 1956) had no room for net TV's broad-gauge national coverage. Money and effort went into spot media.

Last month, though, Marlboro picked up an alternate participation on CBS-TV's hot Playhouse 90. In April, PM will sponsor astringent interviewer Mike

Wallace's new show on ABC-TV (Sunday, 10 p.m.) for at least 20 weeks. Exactly which PM brand will go with Wallace is still undecided. Most likely candidate is Philip Morris itself.

**Mennen hits
snag with
new product:**

Mennen Company's newest product, its pre-electric shave lotion (Tide—January 25), is having some trouble getting off the ground. Reason: the market isn't as large as the company originally thought, mainly because half the electric shavers in circulation sit in medicine cabinets unused.

Mennen's solution: heavy emphasis in advertising & PR on the value and efficiency of electric shaving. Sametime, Mennen hopes to turn the dissatisfaction of current shaver users (and the hesitancy of potential users) to good account by identifying electric shaving comfort with the new lotion.

**New products
coming up:**

J. B. Williams Co. (Glastonbury, Conn.) will jump on the color bandwagon with its new Golden Yellow shave creams (instant 79¢, lather 60¢, brushless 55¢), which replace Williams' current white Glider and Williams lines. The new creams are yellow, ostensibly "to point up the golden lanolin which they contain." Consumer campaign (via color-TV-conscious J. Walter Thompson) breaks March 1 with two-color newspaper ads in 43 markets, followed by two-color ads in *Life* in mid-April. Look for more shaving creams to bloom in color (Palmolive has been green for years, a carry-over from Palmolive soap's traditional hue).

Sonotone Corp. (White Plains, N.Y.) has gone the cosmetic limit with hearing aids. It's now marketing a thumb-nail size, ½ oz. model worn entirely in the ear itself—no cords, wires, clips or external attachments. Retail price (including fitting and servicing): a healthy \$249. Advertising (via Doherty, Clifford, Steers & Shenfield) will break this month with full pages in *Life*, *Look*, *Satevepost*, plus newspaper space in Sonotone's 400 markets. Copy theme: "This is all there is."

Quaker Oats Co. (Chicago) is adding Aunt Jemima Frozen Pancakes to its recently introduced fresh frozen waffles. Initial distribution will be in Chicago, Dayton, St. Louis. Like the waffles, the frigid flapjacks can be popped in and out of the toaster. Line includes regular, blueberry and buckwheat cakes, boxed six to a package. Price: two boxes for 49¢. Advertising (via J. Walter Thompson) is concentrated in newspapers until distribution broadens.

Roto-Broil Corp. of America (Long Island City, N.Y.) will introduce what it bills as "the largest home rotisserie built." Impressive dimensions: a full 16" high, 22" wide, 15" deep. The mammoth's maw, claims Roto-Broil, will easily hold a 27-lb. turkey. The Fleetwood 500, as it's called, has a four-hour automatic timer, push-button controls, "restaurant grill" top, a special electric outlet for timing other appliances. Suggested price: \$89.95. Advertising (via Product Services, Inc.) includes a heavy spot TV schedule, newspapers and (eventually) magazines.

**Another dent
in fair trade:**

For what it's worth, **Benrus Watch Co.** is dropping fair trade in fair-trading Wisconsin. According to Benrus chairman S. Ralph Lazarus, the restrictions are being lifted as an "experiment," may be extended nationally—and permanently.

Move was triggered by a complaint filed with Wisconsin authorities by the Wisconsin Retail Jewelers Assn., which claims fair trade prices are not being enforced.

TIDINGS



activation

When we heard that Dr. Gallup, of Gallup & Robinson, had come up with a new project called Activation Research, we trundled down to Princeton to find out just what it was all about. We found Dr. Gallup ensconced in a large soundproofed office filled with solid black leather furniture which conveys the sense of reflective well being evidently necessary for restless questioning. Fortunately, Dr. Gallup seemed just as happy to answer as to ask, and settling down behind his desk, told us what he thinks is wrong with most media research.

"It's never addressed itself to the main point," Dr. Gallup said, "and that is: how many prospects are likely to see my ad in any given magazine? The total number of readers a magazine has, what income group buys it, etc., really means nothing at all in terms of sales. The question 'How many prospects can I reach?' hasn't been dealt with. Now take Life magazine. If I'm going to advertise there, their circulation doesn't mean anything to me. I want to know the traffic on my ad page, but nobody's found a way to measure that. No, I'm not planning any research in that area, but somebody could."

We tried to steer the doctor onto activation research, but he wanted to talk about motivation research first. "A lot of it is just plain silly," he said, "and it's gotten so far removed from reality it's meaningless. After research has dredged up from the unconscious all the so-called factors which influence a purchase, they're still a

far cry from using the information in any significant way. Now here's an example: 'Consumers prefer vegetable shortening to animal fats because animal fats are related to a sense of sin.' Now where do you go from there?" We admitted he had us.

"Now what we're doing with activation research," he said, "is an attempt to move beyond motivation, translating reasons for buying into advertising themes. It's the first type of copy research which pivots on the sale."

Dr. Gallup moved about the room, took in Princeton from his window, and continued. "In the case of television commercials, two things are important—what you say and how you say it. Activation concentrates on how. We've been building up an interview center at Hopewell, and we're collecting some ideas from the people we interview there. Would you like to go down and see the place?"

We certainly did, and on the ride down, Dr. Gallup told us that advertising executives didn't know enough about consumers, never got a chance to talk to them face to face. "We're trying to remedy that at Hopewell."

When we got there we found a reconverted theater, quietly decorated and dimly lit, where nearby residents can be brought, exposed to TV, movies or ad executives, and then questioned as to their reactions. Those admen who feel direct contact may be too much of a trial can sit upstairs and view the proceedings from a glass window and be as inactivated as they damn well please.

Aseptic Time

Every so often, a publisher comes along who agrees with Henry Luce that Time is a good idea. The latest of these soulmates is Dr. Felix Martínez, president of MD Publications

(Quarterly Review of Pediatrics, Antibiotic Medicine & Clinical Therapy and other medical journals). Dr. Martínez's new offering is a slick-paper monthly distributed free to practicing physicians and called MD the Medical News magazine. It undertakes to cover the news of all aspects of life (including the arts and sports) from a medical viewpoint, and its similarities to Time are truly amazing.

Aside from that, MD is nicely turned-out, readable and informative (advertisers—predominantly pharmaceutical—seem to think so, too, since the first issue carries well over 40 pages of paid advertising, at a basic black & white



page rate of \$1,400). However, we have grave philosophical misgivings about this kind of magazine, mainly because of the kind of synthetic individual it obviously believes in. We're dreadfully tired of economic man, corporate man and all their multitudinous brethren invented to make people easier to explain in abstract terms.

MD is postulated on Medical Man, a weird type for whom people, or sports, or politics, or the arts, have no relevance except in medical terms. The sports department, for example, is very chatty about setting broken bones at the Olympics. Art psychoanalyzes Modigliani through his paintings (conflict in mind, oral infantilism, lack of virility). Religion deals, quite naturally, with medical missionaries. We'd like to state quite firmly that we don't believe in Medical Man and we're willing

to bet the physician doesn't either. He may think he's Intelligent Man, or Universal Man, or even Lady-Killing Man, but not exclusively and eternally Medical Man. More likely he's just Tired Man who would like to catch 40 winks before dinner. We hope MD gets through to him.

Pipe Dream

Having done our teething on Copenhagen and later developed a more than passing interest in advertising, we keep our nicotine-stained finger pretty firmly on the pulse of cigaret ads. For instance, we now know that to SMOKE NATURAL (a phrase which *may* re-open the grammer in advertising controversy) we have to try Philip Morris.

Similarly, Luckies, declare that "A Lucky is all cigaret," "all" underlined, of course. There are more underlined words in Camels and Chesterfield ads, which seem to be advertising the same brand. For Camels wants us to "Have a Real Cigaret, Have a Camel" ("Real" underlined), and Chesterfield advises "Smoke for Real, Smoke Chesterfield" ("Real" again underlined). This cam-



raderie of appeal gives us a great idea, and we offer it to the companies involved for no more pain than a carton of smokes from each.

Why can't all of the unfiltered cigarettes take a joint ad proclaiming in one big black headline "The All Real Natural Brands." This concerted effort might just tie a few fetters onto the filters and make for some real exciting ("real" underlined) cigaret advertising.

On second thought, we won't offer them the idea at all. They might start running pictures of doctors again.

485 Lexington

For some time we have observed (with horror) the transformation of Manhattan's skyline into glass & chrome block palaces. What wonders, we often mused darkly to ourselves, do they harbor inside? Then we were invited to inspect McCann-Erickson's new quarters—14 floors in a new Lexington Ave. structure.



Almost everything turned out to be simple, modern and comfortable—and very much within the artistic and architectural confines of 1957. Yet we did find a few appurtenances that made our musings seem somewhat worthwhile:

- One cozy room features a specially rigged television set that gives forth with commercials—only commercials.
- Any one of the conference room mirrors, into which the non-suspecting may glance to see if his tie is straight, turns out to be that old movie-melodrama delight, a window from the other side. ("This is so our trainees can observe what we do without disturbing the intimacy of the meeting.")
- A Muzak-like music system can be converted to a speaker for any special announcement—say, by a company officer. ("All right, you people, Big Account is watching you!")
- All slots of the cigaret machine are carefully filled with Chesterfield.

We descended by automatic elevator and toddled back to our own simple little office. It never looked worse.

Color in Sheboygan

O. C. (Curt) Williams, Jr., is the manager of the radio-television department of Milwaukee's Taylor Electric Co., the RCA Victor distributor for southern Wisconsin. Having heard in Rockefeller Plaza that Williams is the hottest thing there is in the matter of selling color TV sets, we decided he was a man we had to know.

Since last fall it turns out Taylor has promoted free home trials of color TV by the salesmen on the staffs of its dealers. After such tryouts in 850 southern Wisconsin homes 76.8% (653) end in sales of the RCA Victor color set. And, Williams contends, "we haven't begun to tap the possibilities."

Taylor's color drive (which will last through spring) started some months ago with a series of radio and TV spot announcements and newspaper ads plugging free home trials. During the period every dealer salesman who persuaded a potential customer to try a color set in her home got a \$5 bill. Taylor, at the time, placed a card in

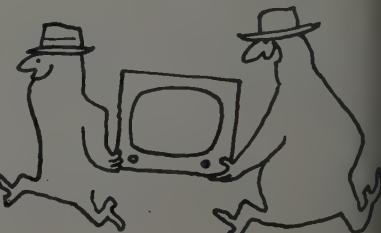
a barrel with the salesman's name (after each installation) for a drawing on a free television set. The more sets the salesman placed, the more chance he had to win the free set.

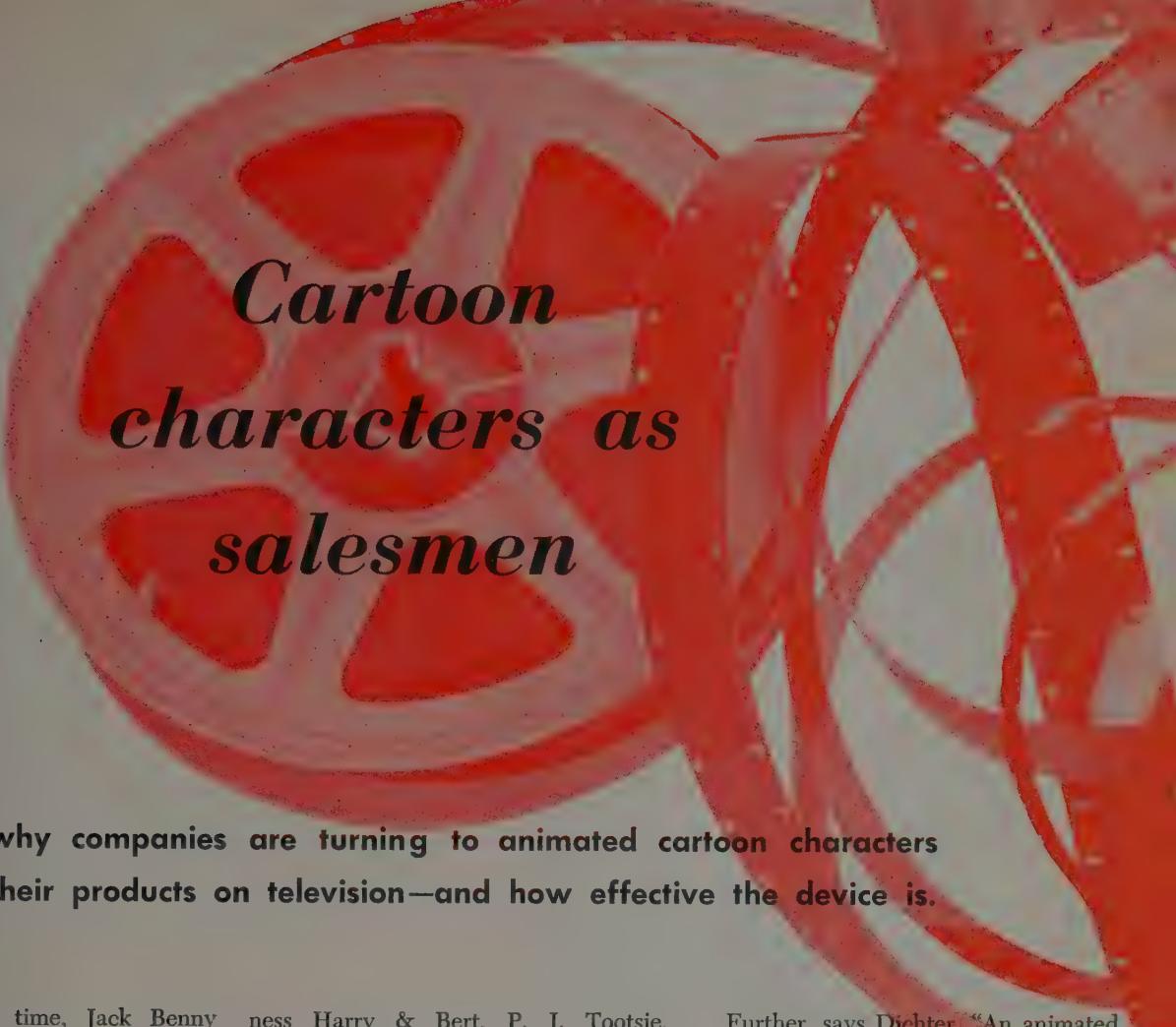
As protection against salesmen with more energy than scruples, Taylor required dealers to screen all prospects before their salesmen made telephone contacts. In this way, says Williams, color sets were not placed in homes rated as poor sales prospects or credit risks. (Taylor agreed also to install the color sets and service them for three days without charge to the dealer prospect.)

Taylor refined its technique to selection of only prospects from middle and upper income families in Milwaukee in its suburbs and in nearby Beloit, Kenosha, Madison, Oconomowoc, Racine and Sheboygan. From a list of past purchasers of black & white sets, dealer salesmen telephoned the selected clients. Recalling their past dealings, the salesman then reminded the client "that there are some particularly good color programs on today. You should take a set on trial and see them" (in Milwaukee, NBC affiliate WTMJ-TV and CBS affiliate WXIX, broadcast color shows).

After the trial period, the salesman made his "pitch." If the family still isn't interested, the salesman gets the reasons why, passes them on to Taylor Electric where the reasons are recorded on cards. Taylor follows up a month later with a letter to each home in which a demonstration was held. Aside from a brochure to RCA Victor sets, these letters include a questionnaire in which the family is asked who their dealer is, whether they liked color TV or the black & white reception on their color sets, whether the service was satisfactory and whether they purchased an RCA Victor set or another brand and if not, why not? "The questionnaire," says Williams, "will not only help with continued follow-ups on interested parties. It will help remedy any mistakes that may have lost a sale. Each family answering the questionnaire gets free salt and pepper shaker replicas of Nipper, the RCA Victor trademark.

We aren't at all sure about Nipper, but we're sold on Williams, anyway. A few more like him and color TV will finally be with us.





Cartoon characters as salesmen

Here's why companies are turning to animated cartoon characters to sell their products on television—and how effective the device is.

NCE upon a time, Jack Benny at Lucky Strike, Milton Berle Tex and Arthur Godfrey Lipton's Tea. that was before the high cost of vision and the voracious appetite of public for new faces scared spon from so closely connecting per with product.

here are even more problems to should you want to hitch your product to a TV star. Only the biggest companies can afford to sponsor a program alone. And if the Nielsen so dictate, your show may not even be on next fall.

the answers to TV advertisers' long search for effective (and ever-lasting) product identifiers and salesmen, one of the more agreeable from several points of view is the animated cartoon character. The animated cartoon generally costs more than a live commercial (the average one-minute animated commercial costs from \$50-\$9,500, takes six to eight weeks to make).^{*} But it is catching on—wi

ness Harry & Bert, P. J. Tootsie, Speedy Alka-Seltzer, Proctor family.

► Motivation researcher Dr. Ernest Dichter proclaims that there are five values for advertisers in the animated cartoon character. First, says Dichter, your cartoon character has "flash identification." As soon as the consumer spots the character on the TV screen, "he knows right away what to expect." Second, "the cartoon character can give you an edge on your competitors' more traditional commercials." Third, the device has what Dichter calls "eye retention"—it holds the viewer. Fourth, there is "memory value" if the character is distinctive. Lastly, cartoon characters have an enormous "flexibility of range"; that is, they lend themselves to use in a wide variety of media, situations, time periods.

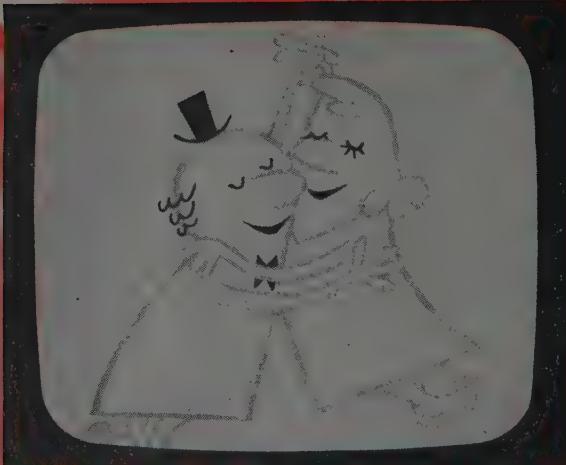
Dichter, however, points out that the greatest weakness of the animated character as a selling tool is implied by these five factors. "We find that although cartoon characters very quickly build product identification, they very quickly, and more often than not, dominate the product. You tend to remember the character, not the product."

Further, says Dichter, "An animated character is no cure-all for eliminating monotony. Your character will suffer unless you keep inventing new situations for it. But then again, you are in danger of allowing the character to dominate the product if the story line becomes too strong."

Dichter warns that cartoon characters must be used carefully. "The technique calls for a wedging of your sales message with the character. After all, the cartoon character is only a motivational lever which prepares the consumer psychologically for the sell."

► Generally, the advertisers' use of cartoon characters boils down to three distinct strategies. First, and one of the newer strategies, is the special ad campaign for a single product that is in addition to other advertising for it. The most recent example is Liggett & Myers' introduction of a cartoon character to plug king-size Chesterfield cigarettes. Launched last month in a heavy series of newspaper ads and radio & TV spots, the Chesterfield King and his court, including Harold the Herald and Bushy the Lion, form a new, special campaign on top of all

*There are three types of animated commercial: the "type", which is the conventional use of animated natural looking drawings (e.g., bears in Hamm's beer plugs); the "off-beat", stylized design and line (Piel Bros.); and commercials combining live action and animation (Lucky Strike's Happy-Joe-Lucky appearing Gisele MacKenzie).



other Chesterfield product advertising.

Designed to challenge Pall Mall's dominance in the king-size cigarette market, L&M's new cartoon character uses push copy themes of "majestic length," "regal pleasure" and "royal flavor." The King personification of Chesterfield's king-size cigarettes addresses himself "to all his pleasure-seeking subjects, 'Smokedom,' urging them to command the pack or revel in the royal cartoon.

One of the key planks in this offbeat, lighthearted approach, according to Chesterfield's agency, McCann-Erickson, is to get smokers to "think in the terms of the King character." If consumers do this, McCann-Erickson says hopefully, they may get in the habit of asking for "the King," or just "a King," at their tobacco counter. Meantime, cigarette dealers are being flooded by Chesterfield with point-of-sale displays so that when the consumer says "King," the dealer will help him out in the battle for sign space on the tobacco dealer's crowded counter.

Aside from weekly newspaper ads and radio and TV spots, the Chesterfield



ing character and his court will get occasional commercial time on Chesterfield's Thursday night network show, *Magnet* (which it shares with Schick), and Tuesday night's *Noah's Ark* (shared with Max Factor and to be replaced March 5 with a new dramatic show called *Panic*, about "the crises that affect people's lives").

Chesterfield's introduction of the Chesterfield King contrasts sharply with American Tobacco's use of the character, Happy Joe Lucky, to plug Lucky Strike. Rather than being used as the dominant feature of the whole campaign, Happy Joe Lucky represents another strategy: the in-&-out cartoon character that is only one part of the ad strategy for the product. "We use Happy Joe," says BBDO, "on a limited basis on our shows like *Hit Parade*, *Jack Benny* or *Private Secretary*. In any series of 10 or 12 spots, we probably will be Happy Joe" (unhurried by American Tobacco two years ago). "Primarily, Happy Joe serves as a change of pace in our regular series featuring the Lucky Strike couple, Russ and Grace."

Probably one of the best samples of this partial use of cartoon characters belongs to Miles Laboratories. Ad manager Perry Shubert likes to alternate Miles' cartoon character, Speedy Alka-Seltzer, with like commercials. "On the average, Speedy gets some eight a week. We don't like to use him more because we feel the novelty is worn out by too high a frequency." Half of Alka-Seltzer's TV commercials feature Speedy on TV shows like Tennessee Ernie Ford (on which Speedy appears regularly), Queen for a Day, Broken Arrow and a twice a week NBC-TV five-minute news program.

► **Finding the right cartoon character** was quite a job for Alka-Seltzer. Finally, a free-lance artist sent Miles' ad agency, Chicago's Geoffrey Wade, a drawing of a cartoon character which became Speedy (the artist originally dubbed it "Sparky"). Shubert changed the name to fit the headline, "Speedy Alka-Seltzer." He thinks that the combination of a traditional headline character (which pictorially is also the product) is about as close a wedding of the sales story and the cartoon char-

acter as you can get. Shubert, of course, took no chances, pre-tested the animated commercial on the west coast, had the spot analyzed by Schwerin Corp. before going national with it.

Today Speedy appears singing either one of two songs (one to the tune of *Aluetta*, the other to the tune of *Maine to California*), or telling a story whose moral usually is that Alka-Seltzer is speedy.

Shubert tries to integrate the theme of the Speedy commercials into the over-all idea that "Having fun is good for you" and that Alka-Seltzer helps you to enjoy life by relieving your stomach. This theme is played up in Alka-Seltzer's print ads (about 10% of the total Alka-Seltzer budget), where Speedy does not appear.

► **Alka-Seltzer's Shubert** has mixed opinions on the use of cartoon characters. "On one hand," says he, "we've attracted a lot of attention" and Speedy has tremendous point-of-sale value ("when we put Speedy manikins in a store our salesmen tell us that the response of customer and dealer is good"). Shubert, in short, thinks Speedy's big

value is the character's "attention-getting" quality.

On the other hand, Shubert thinks the main disadvantage is that "you can't use a character entirely for this kind of product. And I think you can overdo it. After you've seen a character too many times it has no value at all. This, of course, makes it even more expensive since you have to have a number of different commercials for the character."

So worried is Shubert about this problem of monotony that he has Schwerin researching consumer reactions to the combination of Speedy with live action ("we often wonder if it's a good idea to have a cartoon character give consumers important advice about medicinal products").

➤ Equally undecided about the future of its cartoon character is another subscriber to the "in-&-out" or partial use technique, The Sweets Co. of America, Inc. (Hoboken, N.J.). Last October Sweets launched P. J. Tootsie, a cartoon character to sell Tootsie Rolls. The copy usually is a one-minute vignette which portrays the flamboyant, aggressive P. J. Tootsie as a candy king hell bent on plugging Tootsie Rolls. The idea is to sell by kidding the exaggerated posturing of a sales or advertising executive.

So far, Sweets (through its ad agency, Henry Eisen) has employed P. J. on three of the six network shows it alternately sponsors or participates in during the week (P. J. appears on Tales of the Texas Rangers, alternately sponsored at 11:30 a.m. Saturday with General Mills; on Heckle & Jeckle cartoon series alternately at 1 p.m. Sunday with Johnson & Johnson, and on 15-minute Monday-through-Friday segments of the Mickey Mouse Club). All other Tootsie Roll's shows (alternate weeks on Howdy Doody, a Monday-Friday strip on Modern Romances and Tuesday's Tic Tac Doe, all NBC shows) feature live commercials. As with Speedy Alka-Seltzer, the idea is to prevent monotony.

The third and final ad strategy for using cartoon characters is the ad campaign which features the animated personalities almost to the exclusion of anything else. And of this type, the best known (and perhaps most successful) belongs to Piel Bros. (Brooklyn, N.Y.). Pre-tested in September, 1955, in Binghamton (N.Y.) and Harrisburg (Pa.), Harry and Bert Piel TV spots first hit Piel's six-state trading area (within 150 miles of New York City) that December. Since then, "the brothers" are so popular that their TV appearances are periodically listed in newspaper ads and

letters come to the brewery addressed in their name.

➤ Piel board chairman & president Henry Muessen says, "Bert and Harry helped make 1956 the best sales year in our history. And we have started off 1957 just as well."

Muessen does admit, however, that there is a possibility that Bert and Harry actually dominate the product (in the manner suggested by Dichter) and that people are more interested in them than the beer.

On the other hand, Muessen and Young & Rubicam hardly seem worried about this prospect. Harry & Bert steadily appear in 1,500-line newspaper ads, posters, six-pack cartons, point-of-sale displays, Piel letterheads, on menus and coasters in bars, even in a huge rooftop sign on the brewery in Brooklyn. The voices of Bob & Ray (Bob Elliott and Ray Goulding) are played from tape recordings during salesmen's meetings.

Although Harry and Bert regularly appear in five other cities (Binghamton, Lancaster, Philadelphia, Schenectady and Wilkes-Barre), the bulk of their TV spots run on New York City stations after 7 p.m. throughout the week (Muessen says he has no plans to go after national distribution on the strength of Harry & Bert's TV success). For example, aside from scattered TV spots, Harry & Bert regularly appear Monday, Wednesday and Friday at 7:10 p.m. on a WCBS-TV weather program, on the same days during a WCBS-TV newscast at 11:10 p.m., on an 11:10 p.m. WCBS-TV weather and sportscast Thursday and Saturday. In addition, Piel Bros. co-sponsors four shows on WPIX each week (Mr. District Attorney, Badge 714, San Francisco Beat and Man Called X).

➤ Another believer in using cartoon characters in almost all commercials is Philadelphia's Proctor Electric Co. (Tide—July 13, 1956). Basically, Proctor's commercials, some one-minute, some abbreviated to 20 seconds, depict

the life of a housewife and her family before & after acquiring a Proctor product (ironing table, steam iron, toaster and laundry cart). Though high priced (probably around \$8-10,000 each), the commercials have increased both distribution and sales in every market, and nearly two-thirds of Proctor's total ad budget of \$750,000 this year will go into these commercials. Says ad director William Y. E. Rambe: "I'd say we have an advantage over a good many users of cartoon characters. First, we've got a whole family rather than a single personality. This gives us more situations. Then, too, we use the same family with different products. That adds to the variety. We're very satisfied with cartoon characters as salesmen."

Until 1954, when Proctor launched its cartoon family, the company was in something of a distribution rut. Today, spurred by its television success, Proctor sells to any & every appliance outlet through 600 distributors, has 50 salesmen to service them.

Interestingly enough, Proctor's cartoon commercials are pretty much the same as those of its test market days. The big change has come in the number of products featured. Up until last fall, Proctor had only plugged its iron and toaster. Now it has six different commercials on the air: besides those for the ironing board and the toaster, there are spots for a new laundry cart, ironing table pads and covers, and an ironing table toy for children.

But if advertisers like Piel Bros. and Proctor Electric are satisfied with their animated salesmen, there are those who caution about use of the device. Says Schwerin Research Corp.: "There's no getting away from it. Cartoon characters are attention-getters." But, it warns, cartoon characters "can't replace the conviction and believability of live action." Consumers, according to Schwerin, are more apt to believe the demonstration-type of commercial. "A live commercial fits well with people's actual experience."



Grand Union's automatic vending machines at East Paterson (N.J.) sell 58 products



National Food Store at Metuchen (N.J.) sells shoes the serve-yourself way.



Customers shop from cars at this Drive Thru supermarket in Bellaire, Texas.

New retailing trends

ODAY'S housewife may spend a good part of her income in the supermarket, but she apparently likes to devote as little time & effort as possible to the shopping. At any rate, some supermarkets think that the easier & better their service, the bigger their share of housewives' dollars. Further, many are offering a wider range of products, along with the better service. Perhaps the ultimate in effortless service is a new Drive Thru supermarket in Bellaire, Texas. The rectangular Drive Thru has shelves of groceries set out in the open facing driveways on both sides. Customers drive down the shopping lane with a basket hooked to the car door while store attendants bring the car and place the driver's selections in the basket. Stock shelves are inclined so that as one item is removed, another slides into place keeping shelves full all the time.

After a month of operation, owner Herbert Blankenship claims he has exceeded his expected minimum volume of \$7,000 a week by 50%, plans eventually a string of Drive Thrus ringing the affluent Houston area.

For mothers with baby sitter problems, Grand Union offers nursery service both at its Roosevelt Field (Long Island, N.Y.) store and at its New Brunswick (N.J.) store. Mothers park the toddlers in a Kiddie Corner staffed with an attendant and supplied with small tables and chairs. The Kiddie Corners even have television for the children.

Some Grand Union stores sell liquor, two have lobster pots.

More intriguing is Grand Union's East Paterson (N.J.) store, which offers 24-hour-a-day shopping, thanks to automatic vending machines. The machines in Grand Union's "robot storefront" sell

58 varieties of food, from bread, butter, eggs and milk to cold cuts and coffee. Although a Levittown (Long Island, N.Y.) A&P discontinued a similar service after seven weeks, reportedly because of mechanical troubles, Grand Union is enthusiastic about its venture. President Robert Greene of Rowe Mfg. Co. which supplied Grand Union's machines boasts that the next move is vending machines which will take frozen meals, cook them and serve them ready to eat.

Along with more conveniences, supermarkets are offering shoppers a broader selection of goods from classical records to electrical appliances. National Food Store at Metuchen (N.J.) now sells men's, women's and children's shoes along with the usual groceries. Shoppers can buy anything from sneakers to women's pumps (\$6 a pair), just by helping themselves.



Standard Brands' market

The large food processing & distribution firm hopes to make the new Royal Nuts line as famous as its Royal desserts, gelatine and baking powder. The innovation: an extensive line of nuts in key-opening vacuum-packed cans. The goal: national sales supremacy in a virtually untapped market.

A PAGE boy with a ruff collar and a trumpet has long heralded the Standard Brands line, including such well-known products as Royal Baking Powder, Fleischmann's yeast, Chase & Sanborn coffee. Lately he's been trumpeting a new item in Standard Brand's stable: Royal Nuts, launched last July. The company hopes by standardizing a wide variety of nutmeats in distinctive packaging and by capitalizing on the Royal name, it can eventually capture a royal share of the lucrative nut market, still virtually uninhabited by a major brand name. Planters, long synonymous with peanuts, has only a limited line, as do others in the fields (like California Walnut Growers Cooperative).

Royal Nuts' assistant product manager Roman La Croix (his boss is group product manager E. D. Barrett, who also handles Royal desserts and Blue Bonnet margarine) explains the line's plus factors this way: first is a "full line" of nuts; second is the vacuum-packed key-opening cans (they're resealable) which come in "cup sizes" (you can buy a one-cup or two-cup can of most of Royal's nut varieties); third is national enough distribution to allow national advertising.

► Standard Brands got into the nut business buying out the Southern Pecan Shelling Co. (San Antonio, Tex.) in the fall of 1954. It bought the company with an eye to enlarging the consumer market, which it thought was "virtually untapped and potentially a good one." Southern Pecan marketed a Southern Belle brand of pecans mainly to industrial users—bakers, confectioners, ice cream manufacturers, etc. It did package a retail line in a dark-blue 4-oz. can (one which must be opened with a can opener).

through brokers primarily to grocers. La Croix says distribution was spotty ("depending primarily on how active the broker was, since the company was interested mainly in industrial accounts"). The line consisted of pecans, blanched almonds, and black and English walnuts.

The company changed name, packaging, added more nutmeats, all the while increasing capacity. Says La Croix: "We decided to change to the Royal name to capitalize on the long consumer association with it. Royal Baking Powder, for instance, has been a high quality product in the public eye since 1866. A strong-name association would immediately give us a definite marketing advantage."

Before Standard Brands did that, however, it used the Southern Belle brand for test marketing while production and distribution were being speeded up, and packaging changes were being decided upon. This took until July of last year, when the Royal line was introduced, going national "all at once."

► One of the first packaging changes was color. Says La Croix: "To get the idea and feeling of cleanliness, we—and the packaging people at our consumer advertising agency, J. Walter Thompson—decided upon a white can. But this also was our choice for other reasons: Royal dessert packages are white, and we wanted the red Royal logo on the new can directly to remind of those packages. Further, nutmeats in general are dark; since we wanted to picture them on the can in near life-size pieces, we thought they would stand out best against a white background. We also wanted to include recipes on the can."

and they would be easier to read on a white can." La Croix adds that the recipe idea is another innovation and recipes will be rotated from time to time.

The company also wanted to put the nuts in vacuum cans with a key opening. Since this is not a general practice (cellophane bags are more common), La Croix says "we decided to put the key on the top rather than on the bottom of the can, as in the case of coffee cans. Everyone knows that coffee cans have key openers, so the keys can be put on the bottom. But we needed to build up this idea in the nut line so we put the keys on top. While not as aesthetically pleasing, it's more practical during the first few years, although we may eventually change it. With the key opening, the can also has a resealable, flavor-tight lid—insured because the lid fits into the can rather than over the top of it. Another factor: no sharp protruding cutting edge.

► The redesigned can was not the only innovation. Until the Royal line came out, most nutmeats had been packaged according to ounce content—4 oz., 6 oz., etc. Royal's new idea: to package the nuts according to cup size, varying the weights.

Says La Croix: "We noticed that all recipes in most women's cookbooks read 'one cup of nuts or two cups of nutmeats' so we thought why not package nuts in just that way. Now we have one and two-cup sizes. While the respective one and two-cup cans are the same size, their weight content does vary."

The Royal line consists of: pecans and English walnuts in one and two-cup sizes (7 oz. and 3½ oz.), black walnuts in a one-cup can only (4½ oz.), blanched and unblanched almonds each in a one-cup size (both 5 oz.) and a 6-oz. can of salted mixed nuts.



Always reach for Royal
for taste and quality

This ad introduced Royal's new "full line" of nuts.



Product managers E. D. Barrett and Roman La Croix
Variety and packaging are the keys

► Noticeably absent from Royal's line: peanuts. In fact, across the top of the salted mixed nuts can are the words "contains no peanuts" in bold red letters. Explains La Croix: "We certainly have no intention of going into peanuts at this time. Our first and primary goal is to sell a line of household nutmeats and get good brand identification in the housewife's mind. That comes first."

With packaging solved, the problem last July was to get the line onto the grocer shelves. Standard Brands' salesmen used a three-pronged attack: they confronted each chain and independent buyer with a survey which had been made by a leading grocer business publication. It showed that "shelled nuts yield 25% greater dollar gross profit per square foot of shelf space than the average grocery item." Using this tack, they fortified it with another: one case free with each deal. And the third factor, the company believes, is the convenience it offers the grocer in being able to order nuts from one complete line and to have them packaged in easier-to-stock cans, rather than cellophane bags or paper sacks.

► Although the nuts were introduced last July under the Royal name, the first ads heralding their arrival were not run until September—in business and all state grocer association publications (via Compton Advertising).

The business paper ads were followed in November with consumer ads in *Life*, *Ladies' Home Journal* and *Everywoman's*. Says La Croix: "We timed the ads at this time because the sale of nuts is at their peak during the holiday season—not only for cooking, but also for eating out of hand, although to a lesser degree." One ad highlighted pecans, which are "used quite extensively at Christmas time for pecan squares, pecan pies, etc. Other baked goods requiring other nuts were featured." The other ad highlighted mixed nuts and "party time."

La Croix says no print ads will run again until the Lenten season (the second best selling season—nuts contain a lot of protein). Copy strategy will be much the same.

While print ads are not running now, the company soon will use its television programs to advertise the line. About March 1, Arthur Godfrey will trumpet them on his *Arthur Godfrey Time*, and this will be followed up by mention on *Art Linkletter's Houseparty*, both on CBS-TV. Along with the other products, the nuts also will get play over NBC-TV on the Tennessee Ernie Ford Show & Queen for a Day.

Next move for Royal Nuts: probably peanuts.

The upheaval in media buying

Television's wheeling & dealing seller's market has thrown a monkey wrench into advertisers' traditional media planning and budgeting policies. Here's what's happening at the moment, how companies cope with the uncertainties of advertising in an age where the big hope so often remains the remote chance of an outstanding television program.

"OWADAYS the typical heavy advertising schedule is made of tissue paper and chewing gum." That's how one harried agency media director describes the state of media buying today. Says he: "Network television has turned the business upside down. Nothing is sure, nothing is clear-cut anymore. Back in the good old days we could make up a rational advertising schedule based on a firm budget. The whole thing was so permanent, so beautifully and symmetrically stable that it brought tears to the client's eyes."

► While this particular agencyman is perhaps over-emotional about the situation the media buying problem is no less real. Foote, Cone & Belding research & media vice-president Paul Gerhold puts it this way: "Television has had tremendous impact. Compared with other media, it's in a spectacularly singular position in media buying. You can make a decision to buy magazines and you go out and do it. The same is true of most other media. In TV, however, you can never really make a decision to use it as a medium—you can only decide to use it in terms of a specific show. In short, in any other medium (given enough money) you can buy what you consider the ideal schedule. But not in TV. Here media planning and actual media buying are so intertwined that no decision can be made without knowing what is specifically available.

"Before television, the predictability of what we were recommending was a good deal more stable. Now, really for the first time, there's an element of speculation in the media planning area. As far as I can see, television is still very much a seller's market, and the search for suitable properties is continuous, not cyclical. This affects all media. For example, a recommendation is made to the client for print advertising, with the proviso that the campaign will continue until a good television buy comes along. When and if that happens, the whole schedule is readjusted to accommodate the big TV expenditure. In various degrees, this kind of thinking is implicit in every large media buy. As a result, campaigns tend to be rather tentative, and this certainly adds excitement to the business."

Gerhold hastens to point out, though, that this fluid system hinges entirely on whether or not a product is suitable for television. Says he: "Media have different dimensions and qualities, such as selectivity and coverage, the extent of intrusiveness and the degree of audience involvement they demand, and, of course, cost efficiency. For example, the complexity of the story you're tel-

ing is important. Television has the advantage of capturing attention completely for a certain length of time. There's no competition during the minute it takes to deliver the commercial. It is only a minute, though, and there is other competition—specifically, the entertainment preceding and following the commercial. Print media, on the other hand, have spatial competition, but not time limit. A reader can spend as long as he likes reading an ad, and he can come back to it again and again."

► Pillsbury Mills grocery products division marketing director Warren Peterson bears out Gerhold's view of the situation: "So far as possible and practical, we plan our media schedules and TV buying in advance of June 1 [the start of Pillsbury's fiscal year]; we do try, though, to keep our media position fluid. Thus, if a highly desirable TV property should become available later in our fiscal year, we might shift dollars from other media, or from other forms of sales promotion to take advantage of it."

Both buyer and seller groups tend to be vague about the exact effect of this fluidity on the various media. Some of the most pointed comments come from the advertising director of a major magazine. "Everyone," says he, "keeps saying that television hit the media business like a ton of bricks. Primarily, though, they're talking about purely competitive aspects, such as the harder fight for your cut of the advertising dollar and the pressure for circulation. But the impact has been a lot more profound than that. Take our selling season, for instance. Years ago, when I broke into this business, we'd start pitching around August 15 and work through to the end of the year. Nowadays there's no selling season worth the name. We work all year, sometimes for next year, sometimes for year after next."

"Mind you, I don't think TV's impact is all bad. For one thing, adver-

"If an unexpected opportunity for a good television property comes along during the budget year, where does the money come from?"

tisers' experience with the 13 or 26-week schedule has sold a lot of them on the value of consistent advertising in magazines as well. In the second place, many accounts have to buy television during the summer to protect a good time franchise, and they've learned that people buy plenty during the hot months. This radical notion has carried over to print advertising to some extent, and we have less trouble with the so-called summer slump. Then again, television's high costs make print media's charges look insignificant, so advertisers aren't so traumatized by a big magazine bill."

"I won't deny there's another side to the coin, of course. I've heard of some weird things that have happened. For example, I know of at least one company which overextended itself in network television and was trying to sell off an alternate sponsorship on its show. The company offered a magazine a fat schedule if the book would pick up the TV slot for its own promotion. This is just an example of two unhealthy conditions that have arisen since television. First, the way companies jump in and out of television shows tends to destroy planning in all media. After all, any advertiser who goes into television has to commit a big slice of his budget, so everything else has to hang fire until the TV business is set. Second, though this was truer five years ago than it is today),

some companies plunged into TV way over their heads and let everything else go. A few were so disorganized by the experience that they're still floundering."

► This mediaman, whatever reservations he may have about television, sees no violent disruption of the pattern of magazine buying so far as timing is concerned. Contracts are still signed for the year's insertions (though fewer than there used to be) by January (or, in the case of companies whose fiscal years don't correspond to calendar years at the beginning of the fiscal year). What's more, he doesn't think the contract time has any particular significance since, in common with most media, insertions are easily cancelable.

The important difference, and this is where the leveling of the magazine selling season fits in, is the trend toward more frequent review of the media schedule during the year. The major goal of this constant re-evaluation is maximum flexibility in all media. Advertisers seem to be developing an almost morbid fear of committing themselves in advance (possibly because of some unfortunate experiences with iron-clad commitments in network television which have resulted in an advertiser's being saddled with a flop show which is consuming his substance without contributing to sales to the degree he expected). Adds George Dietrich, sales director of NBC Spot Radio Sales: "In 1949, say, there were many more advertisers with 52-week contracts, and not so many with cancellation clauses written in. By & large, the bulk of the spot radio business renewed on a 52-week basis today is for minute strips around 8 a.m., prime time."

► One curious aspect of the quest for media flexibility, incidentally, is the case of spot television. Says one veteran agency media vice-president: "Spot used to be considered highly flexible and logically so. Advertisers used to

"In the old days, we could make up a national advertising schedule based on a firm budget. Now the schedule is made up of tissue paper and chewing gum . . ."

"The increasing opportunistic nature of media buying requires more planning on the part of advertisers rather than less . . ."

go in heavily into spot TV with a new product to generate excitement. Spot radio is still very much that way, but with spot TV, it's ridiculous to buy unless it's for a long-term campaign. The point is, desirable availabilities are hard to come by. The only way to get them is to go into the market with whatever spots you can pick up. Then you have to invest six months in some markets in order to work your spots into prime availabilities. Consequently, instead of adding flexibility with spot TV, an advertiser is committing himself to long-term strategy. It may seem paradoxical, but that's the best way to achieve maximum efficiency in the medium."

At any rate, flexibility seems to be the key to media thinking, mainly because of the question mark each succeeding television season presents (but also, thinks one admanager, because of the increasing speed with which market conditions and competition move these days). It's paradoxical that the increasingly opportunistic nature of media buying requires more planning on the part of advertisers rather than less. Points out the media director of a large agency: "The very fluidity of television points up the need for plans and goals. Whenever you get a situation where values and commitments are relatively unpredictable, it obviously calls for a higher order of strategic thinking."

► One of the powerful stimulants of more careful planning is the ever-present budget bugaboo. Traditionally, and under normal conditions quite logically, financial management insists on detailed and accurate budgeting before untying the purse strings for the advertising department. In pre-television days there was little problem. Now, though, some odd situations crop up. Remington Rand, for example, works on a fiscal year from April to March. But What's My Line? (CBS-TV) is a 52-week show sponsored on a 26-alternate-week basis by Remington Shavers. The show comes up for renewal in October. When Remington renewed last October, it actually committed itself to 13 programs which were not authorized in the fiscal 1956

budget. That authorization won't come through until this coming April 1.

The situation becomes really serious, though, when a company is unable to find a satisfactory television show in time to meet its budget deadline. If the money is allocated for a hypothetical television investment, several questions come up. If the right show (or time period) doesn't come along, what happens to the allocated funds? American Home Products has one plan. Explains a company spokesman: "If we're looking for an evening show, we keep prodding around until we find one. If we have trouble, we'll spend part of the money in spot or regional television. Sooner or later if we wait long enough something will turn up in network. Fortunately, in two out of three years we got the vehicle we want and the problem doesn't come up." The main thing to avoid, apparently, is holding the money too long, which would put the product in an under-advertised position.

► There is, of course, another horn to the dilemma. Suppose an unexpected opportunity for a good television property comes along during the budget year, where does the money come from? A Colgate-Palmolive executive voices a common attitude: "Generally speaking, ad budgets on individual products are based on sales. We have no great reserves in any given year for a great opportunity that might come up, that, say, won't break until November. Of course, if a red-hot dancing girl appears on the scene and looks like she's going to sell a lot of soap, we'll give up something else and use the money for her, but she's got to be good."

Another way out is to budget a certain amount of uncommitted ad funds over and above forecast needs. This,

it's true, is difficult. In the first place, observes one agency media vice-president, most advertisers can't afford it. In the second place, most management shy away from such "question mark" money. Sametime, quite a few of the larger advertisers earmark some cash for emergency buys. General Mills, for example, is sold on the idea. Says a company spokesman: "Under today's rapidly changing competitive situations, flexibility is mandatory. Reserve funds for opportunities and competitive emergencies are required in the proper administration of our kind of business." Swift & Co. is less enthusiastic: "In answer to whether or not we maintain an uncommitted reserve, at the present time we would have to answer with the term partially, but under ordinary circumstances this is not a normal practice. However, our pocketbook is never closed if a worthwhile proposition is available."

Other advertisers find other solutions, ranging from putting a little water in the budget (comments one admanager: "I've been making budgets for 30 years; anyone is silly if they don't have a lot of water in the budget"), to girding their loins and going in to talk management out of an additional emergency appropriation. The essential, think many admanagers, is to be aware of the problem.

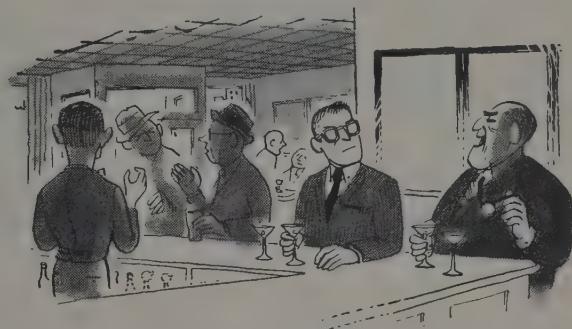
► In general, advertisers agree that the changes in media buying have not been violent from the viewpoint of purely mechanical operations, such as insertion scheduling. What has happened is that these operations have less lastingness than they used to. In short, what used to be stable is now largely provisional. The element of speculation and uncertainty introduced by network television has made the traditional media schedule more of a short-range guidepost than a reflection of long-range strategy.

Sametime, while media lists and budget allocations have lost substance in many cases, the condition stimulates a good many advertisers to pay closer attention to planning alternatives, to reviewing advertising policies more carefully (and at more frequent intervals). This doesn't hurt them at all in keeping abreast of their fast-moving markets.

"The key is for advertisers to be at least aware of the big change . . ."



"O.k., let's put the list together." "It's the last word before she enters the supermarket."



"Don't forget—it gets to them on the beach."

"Billings, all business is local."



"It lies around the house for days and days."

"All right, so it takes 90% of your budget!"



BOOTH

A trend away from trading UP?

Long besieged by discount houses, the small appliance business for one now sells on price alone, with emphasis on product features, provocative copy virtually abandoned.

AFTER several years of trading up consumers—to new or more luxurious but always higher priced and profit products—marketers now seem (at least in some industries) to be reversing the trend. Just a year ago, for instance, General Electric made sweeping price reductions in its small appliance line and did it by cutting the traditional profit margins for itself, its distributors and its dealers.

Although GE has since raised prices on some products, it has retained the lower margins—the key to its belief that profits today lie not in high markup but in high volume. Now other companies—Hoover, Schick, Remington Rand, Dormeyer—are following the GE idea, which in effect introduces “supermarket” sales techniques to the appliance business.

Other companies which don't go along with GE, such as Westinghouse, nonetheless have pricing devices—in that case “price leaders,” or low-priced models of one or more of its lines. Along with this new emphasis on price, come other appurtenances of supermarket selling: more money from marketers for both national and cooperative advertising; a drive on the part of market-

ers to educate their dealers in better selling efforts; special promotions, etc.

► This year, for example, the list prices of vacuum cleaners are the lowest in that appliance's history. Already, four manufacturers have introduced canister cleaners that are mainly remakes of previous models. In three of the cases, the “warmed-over” units carry lower prices. In the fourth case, General Electric brought out the C-4, a re-worked C-3, with a price hike from \$49.95 to \$54.95. Sametime, though, the firm's R-1 model was cut from \$69.95 to \$59.95. Hoover Co. has an 85 Constellation that looks like the 84 but lists at \$89.95, below the \$97.50 of its predecessor. Lewyt has dropped its low-end Model 70, a \$59.95 unit, and brought out a similarly styled Model 81 for \$5 less. Westinghouse, in turn, introduced the LC-1, a model fashioned after its high-end SC-2, at \$39.95. Sametime, Westinghouse reduced the list price of the SC-2 by \$20 to \$49.95.

Even mighty Electrolux, the No. 1 seller (via door-to-door) of vacuum cleaners, is lowering prices, too. It plans to sell a cleaner for under \$50, the lowest price ever for that company.

► In short, after years of selling product features, this year many manufacturers are plugging price first and foremost. The only high price vacuum cleaner left, ironically enough, is the upright Hoover listed at \$124. But uprights now represent only 10 to 15% of the vacuum cleaner market.

The small appliance business, of course, has had price problems since the rise of the discount house, the impact of which caused GE's sweeping margin and price reductions last year. But several economists and retailing experts think this trend away from trading up (which they prefer to call “broadening the market”) is part of a larger revolution in marketing.

► Harvard retailing professor Malcolm McNair, for one, sees price cuts and price leaders as part of the turmoil in retailing which is causing “adjustments in thinking and methods of operation.”

“Basically, three sets of pressures are operating in the retail field. One, of course, is the pressure for readjustment to the larger social changes involving population, location, transportation, buying habits, hours of labor and the like.

“The second set of pressures develop-



on the expansion of output by manufacturers. They have increased productivity, at least up until now, faster than the retailer. Naturally they need find markets for their products."

The third pressure is the slowness the distributor and retailers to catch with the increased productivity of manufacturer." McNair points out that wages increase for the manufacturer when his productivity increases. Thus he must try to get retailers to boost productivity. "When the retailer doesn't boost productivity, he is squeezed between lower profit margins and the demands of his employees."

New York University Economics Professor Jules Backman agrees with McNair, sees, however, operations of discount houses and department stores developing toward a similar level: "Discount houses are beginning to offer more service and often look like budget department stores. Department stores, meantime, are learning to reduce some of their costs of doing business. Product service, of course, is getting to be a bigger factor on both sides. This is pulling discounters and department store operators toward the same level."

► The big question, of course, is whether lower margins, lower prices, worked-over products increase sales and profits. Retailers interviewed by Tide are generally bitter.

Typical are comments from buyers in Philadelphia's leading department stores and neighborhood appliance shops. A department store buyer (who didn't want his firm named) thinks lower profit margins "haven't solved anything. I think the idea was foolish from the start." A housewares buyer in the same store says his department ran an ad proclaiming savings on price. "The ad stimulated sales for a day or two. But we got the same results from our newspaper advertising before the price cuts. So I credit the ad, not the price."

Wanamaker's in Philadelphia reports that "better than 80% of the customers who come in to buy electric shavers do so because they decided to buy—not because of price reductions. They usually come in prepared to pay the former price. When they are in the store, they see the signs announcing that Schick is reduced from \$29.95 to \$21.95, or \$19.95 with a trade-in. Plus, a lady's shaver thrown in, at no extra charge. Sure they buy. But the point

is that most would have come in to buy new shavers anyway. We've just completed an end-of-month inventory and unit sales are little different from the same month last year when prices were higher."

One Philadelphia appliance dealer reiterates the common complaint of the small outlet: "We get little to counteract the price and margin cuts. The department stores downtown get all the ad money."

► In St. Louis, a department store buyer finds "the appliance pricing situation getting worse all the time." He sees appliance volume falling off in his department, with the question arising as to whether the store should carry appliances at all. "There may be some virtue in a department store's getting enough volume to take care of the overhead. But we are getting closer & closer to the breaking point in appliances."

Generally, of course, the retailer's viewpoint is colored by where he sits in the distribution picture. Henry Louis, manager of Good Housekeeping Shop (Miami, Fla.) is very much against the supermarket selling idea of rapid turnover and lower margins and prices. He thinks that the specialty dealer is the man who knows an appliance's features and can point them out to prospects. Goodyear Stores credit manager J. N. Noon says price cuts do not help the dealer because they affect the trade-in allowance. "In addition, you have to give the same amount of service although you do not have the same leeway with profit margins."

While dealers tend to resist manufacturer innovations, particularly those involving changes in traditions, it's also true that there's need to consider which way the small appliance business is heading. Certainly, the industry is in a state of confusion.

If, as Professor McNair suggests, business levels off or goes down this year, manufacturers may become more desperate than ever in their effort to sell more to keep up with expanding production. Michigan University's Survey Research Center recently reported that consumers this year may be more choosy in their spending than they have been in recent years.

► In short, there's a seeming risk to switching to supermarket sales techniques. The risk is undue emphasis on price, less attention to product, to advertising copy, to actual dealer profit problems. Perhaps a violent reaction to the revolution the discount houses wrought is to be expected. However, the appliance business would do well to remember that there are more ways to sell products than on price alone.

wants the dominant color on the highway equipment scene to be Caterpillar's bright yellow.*

Just for that hope—and now with the highway program passed it still remains hope—Caterpillar over the past eight years spent an estimated \$2,400,000 in national consumer advertising and an estimated amount more in local efforts.

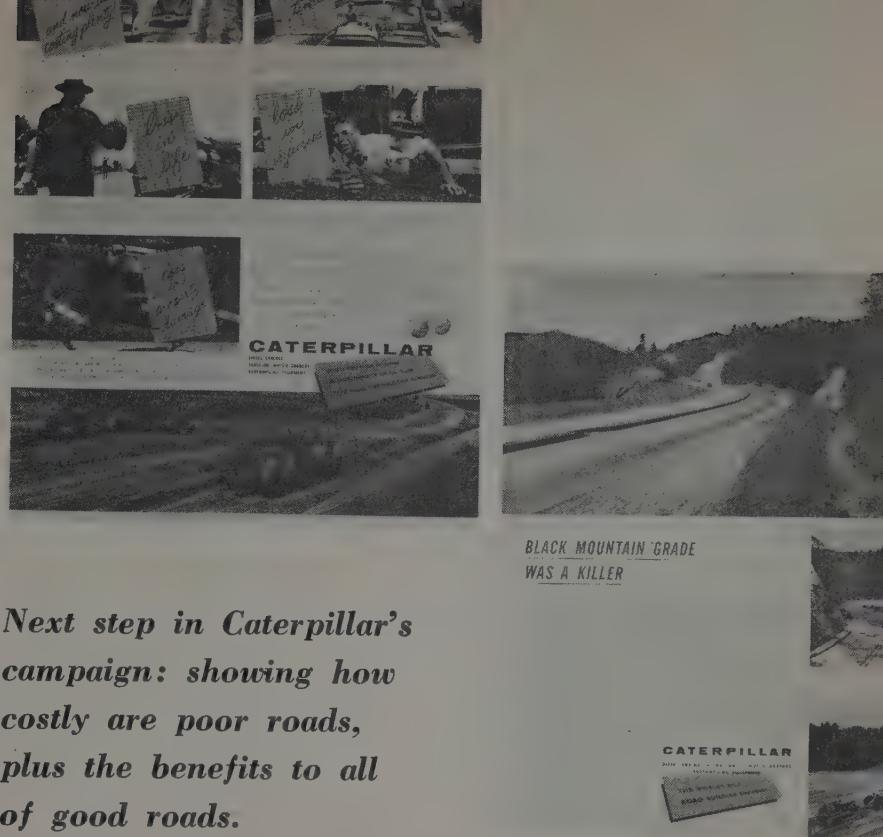
Unprecedented in terms of time and money expended by a private business for a public cause, Caterpillar's fight for the highway program was possible, thanks to two circumstances. Perhaps never before had public and private interest coincided on so broad a scale. Second, as far & away the leading manufacturer of road machinery, it could afford to battle for the road.

Interestingly, in 1948 Caterpillar began a sales climb, which has continued steadily ever since. Over the past eight years sales have more than tripled, passing the half-billion mark in 1955 and totaling a huge \$686 million in 1956, to set a record. Profits have multiplied three and one-half times in the same period, hitting \$55,404,378 (8 cents per sales dollar) last year—another record. Unlike other firms which have expanded postwar sales by diversifying, Caterpillar turned the trick on its traditional product line.

However—and what makes Caterpillar's long-time efforts for the highway program particularly worth considering—the top dog in the earth-moving field since its founding in 1925 is now being challenged. Allis-Chalmers and International Harvester, which never took much interest in their earth-moving lines, lately have been grooming them to attract the flowing construction dollars. And in the past four years two other big names have crashed the field: Westinghouse Air Brake, by buying out St. Louis Car, and, most significantly, General Motors, by purchasing Euclid. All four are determinedly sniping at the front sector's of Caterpillar's strength. Comments Caterpillar's aggressive president Harmon Eberhard (a company engineer who ascended to the top in March, 1954): "We respect competition, but we don't fear it." From 1945 to 1961 some \$500 millions have been spent on company expansion projects which certainly attests to the company's confidence in its future.

And the firm also exhibits confidence in the Market Development Program, as does its effort on behalf of the highway program. Last week appeared the

firm's earth-moving line includes various crawler and wheel tractors, bulldozers, motor graders, scrapers and Diesel engines.



Next step in Caterpillar's campaign: showing how costly are poor roads, plus the benefits to all of good roads.

first ad of a new "keep the job moving" theme, a color spread in *Satevepost*. The campaign, which eventually involved highway officials in every state, was and is a good-will venture that Caterpillar counts on to help it over the next toughly competitive years. It will also run another campaign featuring its "concentration" on its "capabilities" and those of its dealers on the design, manufacture, distribution and service of heavy equipment.

Caterpillar's Market Development Program began to germinate soon after the war. Roads, neglected in the years of national crisis, were badly run down, their normal growth stunted, depreciation unchecked. Yet, these inadequate lanes were choked with record numbers of prosperity-bred automobiles and other vehicles. Further, statisticians were heralding an enormous population growth. State road commissions, reading these warning signs, had mapped plans for extensive road building programs. Yet, nothing was being done. Lacking was the public interest necessary to spark road legislation.

► Caterpillar management saw in these frozen projects, frozen orders. It was decided to stimulate public support for these dormant plans that it embarked upon its Market Development Program. It was agreed that general appeal advertising would be the mainspring, to-

gether with integrated promotions. Thus the creative responsibility rested upon W. K. Cox, now sales promotion manager, who as advertising manager at the time headed the company's big hundred-strong advertising department.

Cox decided to stay with national magazines—a medium the company had long used—on the campaign. But the new ads would sell roads, not products. The *Illinois Press* had carried many stories of the large number of deaths which occurred yearly at a certain midwest railroad-highway intersection. It struck Cox forcibly that such accidents could be prevented by highway modernization which eliminates such dangerous crossroads. The idea was to get precisely that across to the public.

Result was the now famous "Stop Murder at the Crossroads!" ad, vividly picturing in color a bad accident which appeared in the March 12, 1949, issue of *Satevepost*. It was prepared by joint efforts of Caterpillar's staff and the company's agency, N. W. Ayer, of which Frederick Heckel of the agency's Chicago branch was (and still is) account executive.

► Hopeful it had discovered the formula for attracting the public's attention, Caterpillar launched a series of ads built around the safety theme. *Time* and *Newsweek* were added to the Post. Every ad was designed to forcefully



They ran the so-called "market development" program for better highways: Caterpillar's sales promotion manager W. K. Cox (left) and advertising manager Burt M. Powell.

awakened the public to the frightful toll of lives taken by inadequate roads (see cuts). Each classified a different road hazard—curves, soft shoulders, narrow underpasses—and illustrated the type of accident it fostered. Striking photographs arrested the reader, drew him into the copy which repeatedly hammered away at the theme of building safer roads.

Starch reports confirmed the high readership of the series. Curiously, those ads depicting car smash-ups matched the draw of those featuring shining new automobiles, always attention-getters. The basic philosophy was to activate everyman's reservoir of worries about driving, direct these negative feelings toward poor roads. Same time, the copy progressed steadily from broader concepts to more subtle thinking.

► Meanwhile the co-operative (or dealer aid) section of the advertising department was at work on another track. Supplying Caterpillar dealers with proofs of national ads, it explained their purpose, emphasized that while they didn't sell Caterpillar products per se, they did indirectly.** As Cox himself phrased it for the trade: "Behind all of our programs in general magazines is one basic objective: to inform people of work which should be done for the good of all, and then convince them that these jobs can best be done with our products." Thus, dealers were enlisted in the campaign, as outlets for road promotion literature. Ads were incorporated into leaflets, these supplied to dealers by the hundreds of thousands for imprinting with their signature and distributing widely over their sales areas.

Caterpillar promoters further turned

out a gripping color movie, "The Perfect Crime," which dramatized the point that murder due to faulty roads was murder without an accountable defendant. Dealers were supplied prints of the film for showing and lending. Sametime, Caterpillar lost no chance to plug its road theme at its numerous exhibits at fairs and industrial shows.

In 1951 Cox was elevated to his present position of sales promotion manager (which incorporates advertising, sales training and sales development). With Burt Powell, Cox's former assistant upped to the advertising management, Market Development went on unchanged.

Meantime, both Collier's and Saturday Evening Post began to crusade for better roads. So did Hearst publications. Good road organizations sprang up over the country. Companies, such as Goodyear, Portland Cement, Euclid, Ford and Allis-Chalmers, chimed in with consumer advertising.

► In 1954 something new was added. As Powell explains it: "The public was waking up. Folks were getting aroused about dangerous roads. But they weren't sure they could afford extensive road programs." Thus the economy angle was interjected into the series. This countered the idea that boom-time construction costs were too high to launch a highway program. Bad roads were the expensive ones, the ads averred—they wasted time and money, they wore out cars, jacked insurance rates. And all of these upped shipping costs, begetting higher prices, which the consumer paid for whether he was a car owner or not.

Then, victory seemed to loom just around the bend. Late in 1954 President Eisenhower declared the rebuilding of the nation's roads to be "the most vital domestic problem facing the nation." His press-dubbed "grand plan for highways" set forth a multi-million-

dollar program to be spread over a decade of road building. High hopes followed the Administration's highway bill into Congress early in 1955. There it expired in a clash of competing interests—each in favor of road building, but with widely different views on how it should be paid for.

► Caterpillar took this as just one more in a long series of roadblocks to be circumvented. Undaunted, it redoubled its effort. It got out two effective pieces of propaganda, a movie and brochure both entitled "Roadblock," gave them broadside distribution. Theme was that the public by failing to make its heard had defeated the road bill. There was such a demand for the movie that it had to be released through a private distributor.

Sametime it stepped up its ads from bimonthly to monthly and entered new "state phase." That featured particular road problems of the individual states. The idea was to take a road problem as close to the public as possible, get down to particulars. In preparation Caterpillar representatives contacted every road commission in the country and offered to help them with their road programs to their voters through the ad series. The commissions were almost unanimous in acceptance.

Each ad focused on an outstanding completed project—a ranch to market road in Texas, St. Louis' new expressway—then summarized the remaining program waiting to be financed. Called the copy, "The answer to a state official's desire to inform the public about his highway building plans is the answer to the public's desire to find out what its state program is." After the ad was run, it was incorporated into a folder with additional illustrations and facts, these for distribution by the state's Caterpillar dealers. As a result, Caterpillar found itself acquainted with many state highway officials.

► Caterpillar was in the middle of state series when it tasted victory after eight years of pursuit. In the spring of 1956, Congress arrived at financial compromises for the road program (with revenues to be raised by increased federal taxes on gas, tires and commercial vehicles). And on June 29, President Eisenhower put his signature to the Federal-Aid Highway Act, directing the federal government to put up about \$3 for every \$1 spent by the states. The huge project would spread over 13 to 15 years. The legislation promised tens of thousands of miles of modern toll-free roads for motorists—and hopefully millions of dollars in road equipment sales for Caterpillar.

**Caterpillar's distribution framework has no wholesalers, only privately owned & managed dealerships (now 130 in the U.S. and Canada, nearly that number abroad). Roughly 680 stores run by these dealers throughout the world sell Caterpillar equipment and provide factory-trained servicemen.

Sun Drug evaluates manufacturer aids

Sun Drug is a self-service drugstore in a Chicago shopping center. It's abundantly clear that this type of operation is hardly considered by drug & toiletry manufacturers' point-of-sale people. Here are some ways they can better serve drugstores like these.



This self-service drugstore cannot use any kind of counter display yet much of the point-of-sale material it gets is of that type.

WITH this issue, Tide completes a series of articles aimed at gauging the effectiveness of promotional material—an estimated \$900 million worth yearly—which retailers receive from manufacturers and media (Tide—Dec. 14, 1946, et seq.). Previous instalments have covered a department store (Quackenbush's in Paterson, N.J.), a discount house (Masters, New York City), a supermarket (Grand Union, East Paterson, N.J.) and an appliance center (Rosner's, Yonkers, N.Y.). This article explores the manufacturer aids used in a Chicago drugstore.

The store, Sun Drug is located in a large shopping center on Chicago's northwest side. It is one of the new self-service drugstores which have been catching on of late. The trend to "help-yourself" drugstores with central checkout operation, began in California, is now moving eastward at a rapid rate. Such stores are already common in Chicago, where the Walgreen chain operates some 35 in the city and suburbs and is adding five more soon (one-third of its national chain is self-service).

This new streamlining represents, of course, the druggist's effort to keep pace with the needs and expectations of today's consumer; specifically, it is a means of combating supermarket inroads on the drugstore's province. Not only is this innovation in drugstore retailing a spur to volume-selling—it is designed as a profit-booster, by reducing sales personnel.

Some so-called self-service drugstores of the east are actually only semi-self-service, incorporating some of the features of the new-style store. Sun Drug Store has gone over all the way to supermarket-type merchandising, with electric-eye entrance gate, a turnstile checkout point with cashier, and the familiar wire shopping cart. Its 45 by 115-ft. store is staffed by but one center floor clerk, a cosmetician. Where the supermarket has retained personal service at the meat counter, Sun Drug, of course, still serves drugs from a window. Where supermarkets have added drug and novelty lines, Sun Drug has installed a small grocery section (canned goods, laundry items, frozen food).

But the supermarket still enjoys an advantage over the self-service drugstore. The "help-yourself" grocery is so well entrenched that manufacturers tailor their point-of-sale material to fit that type store. The manufacturer of drugstore lines still fashions sales aids for the traditional counter-type drugstore, making no concession whatsoever to this burgeoning style of operation. Consequently, Sun Drug finds



Sun Drug likes and wants any kind of standing or "dump" display that is compact, eye-catching and can feature signs indicating price. It prefers those to cartons, but does use cartons like Helene Curtis' at gondola ends.



itself unable to use 75% of the materials manufacturers supply it, according to assistant supervisor Leo Gonsleski, who is in a particularly good position to observe, since he also supervises two traditional drugstores of the same chain.

The physical setup of Sun Drug, as it does for all of this type store, governs sales aid needs. Instead of wall counters and centered sales islands, the store utilizes supermarket-type wire shelves, with metal gondola display racks forming center aisles. This permits maximum exposure of merchandise, prompting impulse buying. "But most point-of-sale material is still designed for counters, which we've eliminated," complains Gonsleski. "Large wasted on us is the display carton with the prop-up flap in back, which is almost standard packing for small drugstore items. The cartons won't fit on the close-together gondola shelves, and we can't afford to give over much of our valuable space atop the gondola to display material. We must save this place of maximum exposure for merchandise. The small easel-back display signs, much used on counters, are also practically useless for us, for the same reason."

What the store can use to good advantage when they're compactly constructed are floor display stands: "They give the impression of a special offer and are particularly good to introduce a new product. Also, they create the illusion of a separate department, which helps to break up the sameness of the gondola displays. But they mustn't be so big that they crowd our narrow aisles." Gonsleski also prefers them to list the price, or else leave space for price to be marked in. Particularly effective, he finds, are stands with an advertising tie-in, such as a premium offer, or contest blanks to be picked up by the shopper. For some stands Gonsleski likes, see cuts; Sun Drug was currently also using floor display units supplied by Anacin, Johnson & Johnson and National Brands.

Borrowing another supermarket trick, the store makes wide use of wire basket "dump displays." Gonsleski would like to have some medium-sized brand signs with price indicated or a blank left to clamp onto the backs of these baskets. He said he'd be tempted to give this kind of special display to products for which attractive signs were supplied. Sun Drug currently has to supply its own. Smaller flat brand signs with prices could be used to some degree on the wall shelves, he said, and big, easily read easel-back signs could be placed on the shelves above wall units.

Manufacturers are also overlooking a chance to plug their lines by not supplying drugstores with brand price strip

signs for gondola and wall shelf molding (like those used on grocery shelves), Gonsleski thinks. The only molding strip signs he's getting are National Brand's. "Our gondola racks have slits for price signs, which are necessary for these mass displays, but we have to make our own. Brand slips would cost little to make, and I think they'd be given nearly 100% use by this type store if they were supplied."

Floor arrows and footprint signs would be another sales aid and store-brightener which wouldn't usurp selling space, Gonsleski points out. He's not getting any of those either.

Gonsleski finds flat pegboard dispensers useful and space-saving, as well as helpful in alerting the retailer of a need for new supplies. The store makes wide use of small card-type pegboards displaying such items as scissors, knives, watches, lighters and pipes. Most of these are affixed to an upper panel surrounding the combination checkout/candy counter. "They are eye-catchers and spark a lot of impulse buying during



Over-wire signs help brighten store.

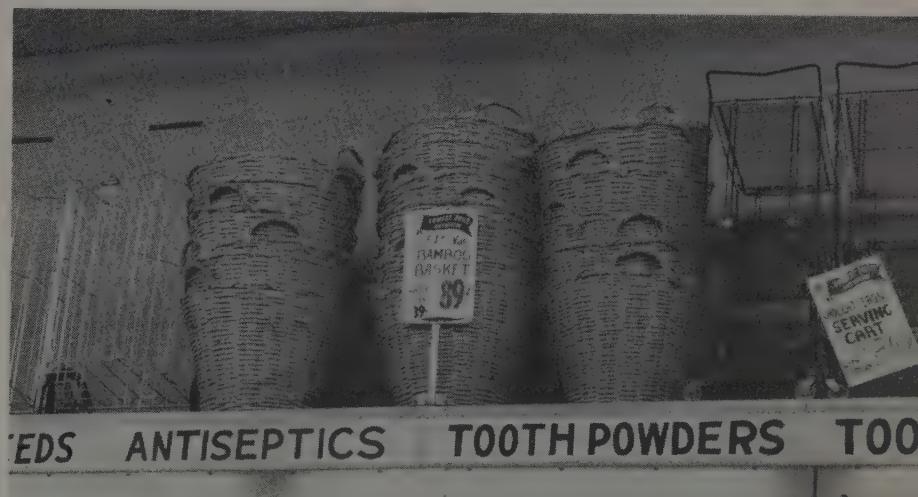
the checkout period." The store also uses a larger pegboard display on the floor stand variety when it can fit them, usually placing them flat against the end of gondolas. Gonsleski likes special promotions like Schrafft's Valentine's Day display.

Sun Drug also uses to good advantage the double-faced over-the-wire signs manufacturers supply. The store tiling is criss-crossed with them "to suggest activity and lend brightness." Gonsleski points out that these signs don't take up even a fraction of space available for merchandise display. He could use more than he gets, in order to make more frequent changes. He thinks some manufacturers might improve on the distance readership of these signs, however. He'd also like one mobile signs for overhead use. Among materials he never uses are ideals, lacking counter space to adhere them to, and rubber change mats, which he doesn't consider an aid to impulse buying.



Sun Drug likes colorful, compact special promotions like this Schrafft's card which fits over "dump" display

Brand signs would help wall displays, shelf price strips, which highlight brand names, are wanted, too.



EDS ANTISEPTICS TOOTH POWDERS TOO



Pegboards go over, but the more readable they are from distances the better sales job they do.



By
Lester
Leber

advertising's poor public relations . . .

The paradox

Advertising is probably today's most glamorous business. Bright young men and women are anxious to get into it. Those who make their living from it are proud to say so. Leaders of industry recognize it as essential to America's economy of plenty. More money is devoted to it than ever before and the sums are likely to keep increasing.

Its practitioners devote their energies to winning favorable opinions, and have been monumentally successful on many occasions; yet advertising itself is misunderstood and maligned on several significant fronts. For example:

A labor union's view

The public relations director of a large union is interested enough in this "magazine for advertising executives" to read **Tide** regularly. He recently wrote me as follows:

"I remain curious and certainly uninformed about the facts of advertising life in terms of TV. I simply can't reconcile these generous give-aways such as the Revlon efforts to ordinary merchandising, consumer appeal or gullibility. What permits so lavish an award of revenues? Is the product produced at so cheap a rate that the markup can be so astronomical, and yet merit or at least win consumer acceptance?"

A public official

When Robert Moses announced that two small islands in New York Bay were bought by Bernard Baruch and turned over to the city

for conversion into recreation areas, he put it this way:

"Will the first sight seen from an ocean liner entering New York Harbor be—not Liberty lifting her lamp beside the golden door—but two wrecks of small islands with decaying buildings supporting advertising billboards? Mr. Baruch says 'No' and the public will say 'Amen.'"

The general public

Late last year, the Federal Communications Commission reported that it had received so many complaints about "loud commercials" on radio and television that it monitored 659 stations. The conclusion was that there is no general use of increased power during advertising announcements. In fact, they found only one instance of overmodulation (volume exceeding authority), four of undermodulation.

Whipping boy

Regardless of what the FCC found, many people still maintain stoutly that all commercials are louder than the surrounding programs. Regardless of the good taste used in most contemporary outdoor advertising, billboards are condemned as horrors on "decaying buildings." Regardless of the low cost per thousand of television programs, their very success causes them to be considered as "astronomical" in price.

Do we care?

Apparently we're too busy tending to our knitting. The labor union man's letter is quoted above only in part. He also asked about several other well-known companies.

Each one and the two major networks were sent copies of his letter and asked for data to help answer him. With the exception of Revlon, they did *not* bother to reply.

Revlon facts

George J. Abrams, vice-president of Revlon, points out that Revlon's audience of almost 50,000,000 people per week costs only \$1.93 per thousand homes for time and talent. *That's about five homes for a penny.* Their largest selling item is a 90¢ lipstick refill for a standard holder (most major competing lipsticks cost \$1.25 for lipstick and case).

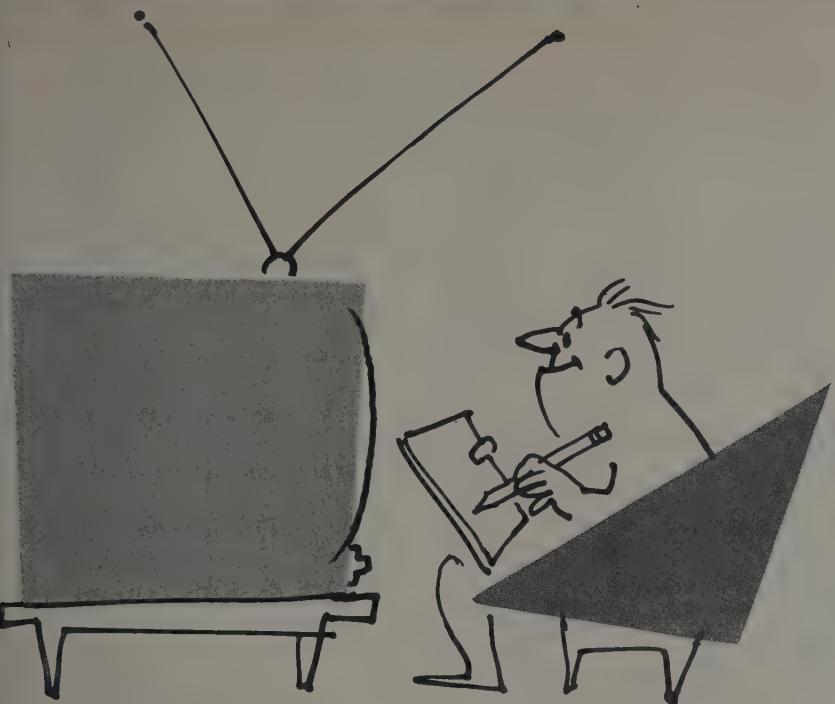
It is unthinking and unfair to criticize Revlon for being successful. (If they did what a layman would consider the simplest, beyond-reproach "propaganda"—mailing two-cent post cards to consumers—they would be spending 10 times as much per home.)

The problem

By its very nature, advertising is in a perpetual limelight that will grow brighter every year. We will become bigger and more inviting targets. Any error will be magnified a hundredfold. One overmodulated commercial and "they're all too loud." One misplaced billboard and "they ought to be outlawed." One exaggerated claim and "all ads are full of lies."

The solution

Whatever is now being done to create a favorable climate of opinion for advertising per se is not enough. We cannot assign the task to the Advertising Council or an Advertising Week or any other organizational effort, as important as they are, and then forget it. *Each one of us must be constantly aware of the need for watchfulness.* We must conduct our own affairs with integrity. And we must *individually* raise our voices in defense and explanation whenever an ill-informed criticism of advertising comes to our attention. It is a crusade that deserves the energies of anybody who believes in advertising.



Rating the ratings

Advertising executives generally lack confidence in the ratings services measuring broadcast audiences. Panelists are confused by the variety of research methods. They want a single system, a speedier overnight tabulation.

MOST advertising executives regard radio-television ratings services with the apprehension of tax collectors perusing the books of stock market speculators. That, in essence, sums up the response of the Tide Leadership Panel to a series of Tide questions asking members to rate the ratings services.

Tide's Panel, made up of advertisers, agency and public relations executives, reported relative familiarity with ARB, Hooper, Nielsen, Pulse and Trendex on a scale ranging from 47% to 90%—but many were unable to pinpoint the exact services and methods of research involved in each. Among their thumbnail descriptions were misconceptions ranging from 13% (Trendex) to almost 0% (Pulse).

Only 14% indicated relative familiarity with each of the other two systems, Sindlinger and Videodex—but all were correct in their knowledge of methods used by each.

Panelists were given an eighth serv-

ice to identify: Radio-TV Tabulations, Inc. There, of course, is no such rating service. Tide inserted the bogus name to see if Panelists were checking off the list indiscriminately. Only 4% of the Panelists said they were familiar with it.

The Panel's rating of the ratings service came out this way:

- Half the members think Nielsen the most reliable of existing research systems—but less than 30% could give a reasonably acceptable definition of a Nielsen rating.
- Few think any one system now operating completely adequate. The ideal service, say most of the Panelists, would be one combining sampling methods used by two or more of the existing seven, with emphasis on speedier tabulation.

Asked which system they thought the most reliable, half cast votes for Nielsen, the rest divided them this way: ARB, 10%; Pulse, 6%; Hooper,

3%; Trendex and Videodex, 2% each. 7% vetoed the entire group, while 3% thought them all good. The balance (17%) indicated they were too uninformed to decide. Many of those who think Nielsen best generally agreed in essence with the appraisal of Oakley Bidwell, vice-president of Campbell-Mithum: "Audimeters seem more reliable than diaries because they cover a more representative cross-section of homes than the phone-owners in urban centers called by the co-incident (e.g., Hooper, Trendex) services. But I distrust the very limited number of installations as a true sample, and I realize that a set tuned in is not necessarily a set anyone is watching."

► However, Panelists were asked: If your TV show got a Nielsen rating of AA27.4, what would that mean to you? The largest number—38.9%—gave no answer; 32.5% gave the wrong answer, and the balance came up with replies approximating a correct answer. (AA represents Average Audience. The figure following an AA classification represents the ratio of number of homes tuned in during an average minute of the program to the total number of television homes in the U.S.—37,200,000.) Mused E. L. McDonald, assistant advertising manager of Kaiser Aluminum & Chemical Corp.: "A respectable rating (AA27.4). I'd love to have it for Kaiser Aluminum Hour."

A few Panelists, like Philip C. Wallach, public relations & advertising director of H. K. Porter, take the ratings' shortcomings to task with an extreme view: "They're all ridiculous. The samples are so small as to be absurd. A lot of otherwise intelligent people are being persuaded against their better judgment to believe in something without logic or sense."

► In response to what type of broadcast rating system they thought best for rating radio and television audiences, members generally shied away from naming any one now in existence. Panelists were overwhelmingly in support of larger samples, quicker service and diversity of research methods in the operation of an ideal rating system. The suggestion of a midwest radio station vice-president: "One system with minimum requirements, large samplings, stability and quick reports." A number of Panelists thought rating criteria should include tangibles such as sales response.

A few Panelists just don't warm up to ratings at all. Warns William H. Beatty, R. L. Polk & Co. vice-president & general manager: "There's evidence that TV is run by the ratings instead of using them to indicate trends."

Fair trade's last bastion

Drugs & toiletry makers need to face the fact that fair trade is no longer potent in much of the nation. New problems are rising in the states newly freed from fair trade. Already in fields like aspirin, brand name is almost meaningless.

THE MAP at bottom of this page shows that just about one-third of the nation has abandoned fair trade or is in the process of doing so. The result of the pricing device's steady weakening was spotlighted recently by Eastman Kodak. It ended its nationwide fair trade policy because it believed that that was the fairest way to treat its various retailers. In non-fair trade states, its retailers were forced often to meet discounters' prices, putting them at a profit disadvantage compared with Kodak retailers in fair trade states.

As fair trade continues to weaken as a national pricing device, the problem arises of what to do about the small retailers—those who claim they can't compete profitably with bigger retailers without some sort of protection from

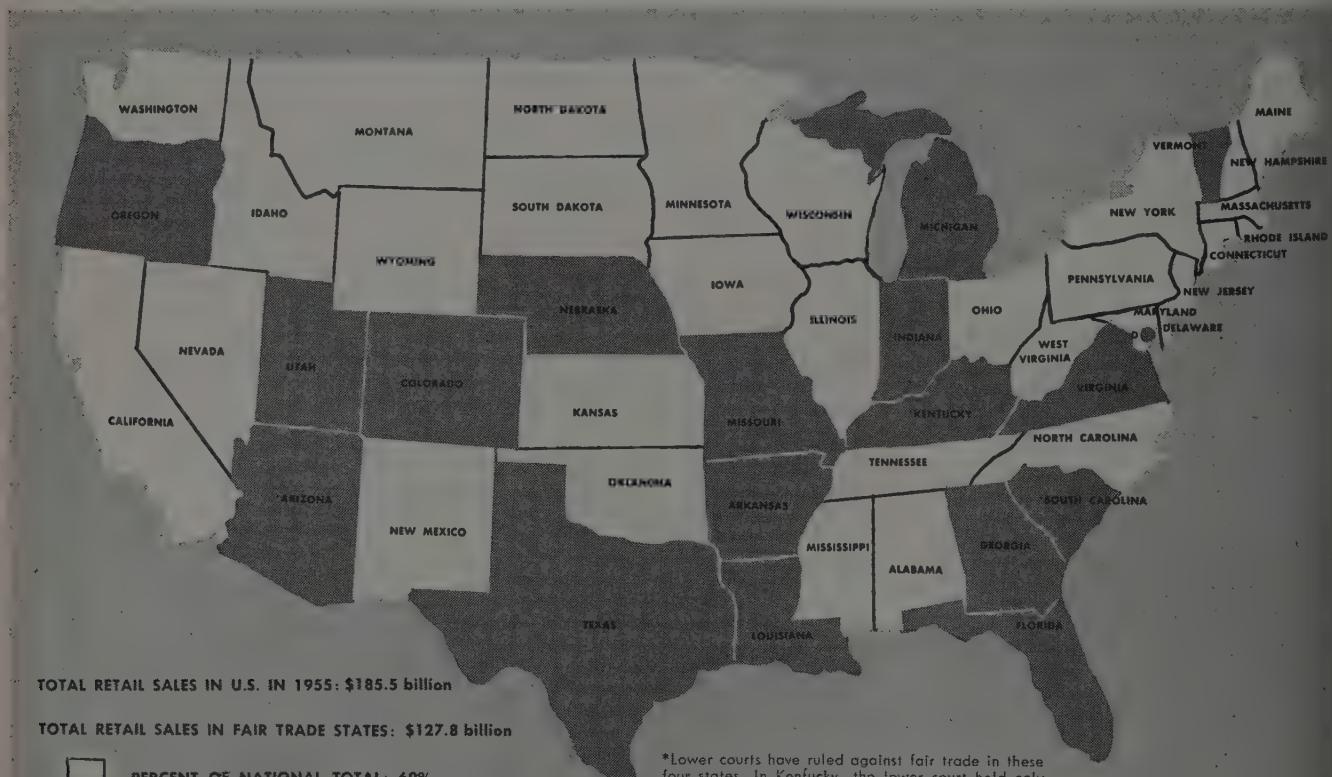
price cutting. Nowhere is this fear more acute than in the drugs & toiletries business, fair trade's strongest bulwark since the rise of the supermarket.

► There's little doubt that both manufacturers and many drugstores want to continue price maintenance. Colgate-Palmolive, for instance, says it has had some sort of price policy since 1917 and that it is a strong supporter today of fair trade. It has "quite a number of fair trade suits pending," it says, but thinks there is actually little price cutting in the drugs & toiletries field, "and if there is, it usually goes in waves."

Other toiletries makers like Bristol-Myers, Squibb, Revlon, and ethical drug firms like Parke, Davis and Eli Lilly all fair trade their products (Lilly,

for example, was plaintiff in a post-McGuire Act fair trade suit against New Orleans' Schwegmann Bros., a combination supermarket - drugstore. Lilly won the suit, but the Louisiana court eventually ruled fair trade's non-signer provision unconstitutional.

Meantime, the Bureau of Education on Fair Trade is working hard on a new variety of fair trade act. Dr. John W. Dargavel, chairman of the bureau and executive secretary of the National Assn. of Retail Druggists, says vaguely that the bill, still secret, "recognizes the existence of various methods of distribution of products identified by trademarks through wholesale and retail channels. It establishes the right of the manufacturer, distributing through these channels, to protect his distribu-



*Lower courts have ruled against fair trade in these four states. In Kentucky, the lower court held only the non-signer clause invalid. In Arizona, Indiana and South Carolina lower courts declared the state's entire fair trade acts unconstitutional. Appeals to high state courts are pending in all these states except South Carolina where a new test case is now under way in a lower court.

Source: Sales Management's Survey of Buying Power, 1956

ation system by setting a resale price on his trademarked product."

► On other fronts, the drugs & toiletry industry is behind more efforts to keep price cutting out of their domain. In New Orleans, for instance, John Schwegmann of Schwegmann Bros. now battles a new restriction. At last month's end, the state put into effect a new code of ethics for Louisiana pharmacists which prohibits a pharmacy from advertising prescription prices and forbids any arrangement whereby prescriptions are collected from a location other than a pharmacy. The code provides penalties that include revocation, refusal to renew or suspension of the ethical pharmacist's certificate and other licenses, certificates or permits issued by the state. Schwegmann's stores long have advertised and filled prescriptions, and most of them are compounded at Schwegmann's Airline area store, sent to his St. Claude outlet.

Redfield Bryan, president of the Louisiana State Board of Pharmacy which drew up the code under legislative act, says: "The code is designed to advance the pharmaceutical profession, raise its standards and promote better pharmaceutical service to the public. It has nothing to do with price fixing. It is intended to protect the public from some effort on someone's part to give poor professional service. At least 98% of the public doesn't know about prescriptions and the public must have some sort of protection in the types of advertising done by pharmacists."

Schwegmann answers: "Of course, my two stores are 100% in accord with anything that will raise the standards of pharmacy and contribute to the public welfare. But I think the prohibition against advertising of drugs and prescriptions is against the best interest of the purchasing public. The public has a right to know where low prices may be obtained and no prohibition should be placed on the publication of such information. A prescription costs \$0 at some places and we can give it to you for \$7. I'm 100% for advertising for pharmacists, for lawyers, for anybody else. The people have been able to buy cheaper since we have advertised, and because of advertising competition is back in the pharmacy business. To say you are against advertising is to say you are against the best interests of the people. The new code of ethics is not price fixing but it curtails and hinders free enterprise. It penalizes the public it is meant to protect."

Schwegmann says he will fight the

the WOMAN'S VIEWPOINT

By Dorothy Diamond

®

Let the clock tell the story

As every supermarket operator knows, many a woman who dawdles in the aisles exchanging gossip with a neighbor chafes at the slightest delay at the check-out counter. For this breed of impatient customer, a wait of five minutes looms like an eon.

A completely different kind of self-service operation is run by Fred Pabst, one of the Blue Ribbon Pabsts, in Vermont. On winter weekends his Big Bromley ski area draws thousands of skiers. To prove to his shivering clientele that they are not waiting nearly as long as they imagine for automatic uphill transportation, Pabst has installed in front of every lift a giant clock and below it the sign, "Let the clock tell the story."

This is a psychologically sound idea that supermarkets might do well to borrow.

Model homes for moderate income

"Welcome aboard Household's 'House on the Barge!'" began a telegram from Robert F. Crossley describing a model home contest sponsored by his magazine.

The project clicked with me on three counts.

First, and most important of all, the four houses selected by a preliminary jury are all in the modern price range. Exclusive of land, they were built for between \$13,000 and \$16,250. Therefore, many household readers can afford to duplicate them. How different from the average magazine promotion, which whets readers' appetites for something fabulous in conception but also astronomical in price.

Second, Household succeeded in obtaining reader participation by publishing pictures of the four contenders for first prize and asking its readers to be the final judges.

Third, when it came to a site for building a replica of the winner in Chicago, Household found an ingenious way to side-step an expensive rental in the down-town district. Instead of leasing a parking lot, it erected the ranch-style home on a barge in the Chicago River. Not only was this an excellent at-

tention-getter, but moving the house to its final site will be much easier over water than on crowded city streets.

Luggage problem

To a woman who intends to live out of a suitcase for several weeks, luggage is an extremely important purchase. Yet, when I recently shopped for some in Fifth Avenue stores, I found it hard to reach an intelligent decision.

The salesmen I encountered were impatient or secretive—or both. To extract pertinent data on dimensions and weight, persistent questioning was necessary. Since the woman traveler is bound to be curious about these mat-

ters, and since she is entitled to the answers, I think that manufacturers should combat salesmen's reticence by attaching informative labels to all their products. Weight before packing, approximate weight after packing, how many sheaths and suits we can reasonably jam in—these are some of the facts we would understandably appreciate.

Packaging notes

During the year-and-one-half that I have been writing this column, I have noticed that food packaging has become far more considerate of the housewife. One of my chief remaining gripes is the frozen food package. It's been said before, But I'll say it again—its contents should be split in two for the convenience of the small family. Also, and this would be easy to achieve, I'd like to see a larger and more efficient tuck-in flap so that a half-emptied carton could be readily closed.

I also notice a trend toward more informal, magazine-style writing on packages. For instance, on its Rice Krispies carton, Kellogg becomes rather chatty. "We don't like to interrupt for long when you're on the business end of a busy spoon," is the preface to a plug for its Variety Pack. Victor Borge's irrepressible and irresistible sense of humor crops up unexpectedly on his Rock Cornish hen packages. His tongue-in-cheek directions are a delightful switch from the usual solemn and unimaginative prose.



SELLING TO INDUSTRY

By John Sasso

®

Birdbrain thinking

A reader, in this case a harassed publisher, recently sent us some correspondence on the subject of "editorial cooperation." It's worth reprinting, with comment.

An advertising agency president wrote him: ". . . we want to take this opportunity to ask if we cannot look to you for more editorial support.

. . . We have been very fair in our demands on publications in which XYZ advertises. . . . It seems that if somebody sneezes at General Electric or Westinghouse it gets into print in the shape of publicity. *We have even seen writeups on XYZ manufacturers who do not advertise in your publication* (italics ours) . . . you will find us broad-minded and fair at all times. . . . XYZ are fine people with an unequalled (sic) product, and we feel that an editor is doing his readers a favor to clue them on XYZ's developments."

The publisher's diplomatic reply stated "items are judged solely on their news value. Every item . . . is given careful consideration . . . you will recognize that this policy of complete objectivity—which has earned the respect of the entire industry—will result in the fairest treatment of news material from all sources." Wonder what he really wanted to say?

This column believes that if stupid ad agencies and ad managers continue to use the advertising bludgeon as a means of getting news they will be perpetuating the dog magazines that waste advertisers' money. Maybe they don't care. One final suggestion: tattoo that italicized sentence on the heads of advertising men who have no respect for the media in which they spend clients' money.

Epic statement

Some fine day a research study ought to be started on why some industrial advertisers stubbornly refuse to believe that industrial readers want information. We think it's just plain laziness. Case in point:

W. H. & L. D. Betz, consultants, use a full-page two-color ad in a

plant maintenance magazine to state: "In a water-conditioning service . . . results make the difference!" That, plus a logo, is the entire ad. So what, says the reader. Hall Laboratories, in the same magazine, same issue, uses an editorial-type format called Hall Industrial Water Report, reporting, with specific information, on water

problems that actually occurred. Hall's solutions to those problems are spelled out. Now which ad do you think did the advertiser the most good? Which, over the long run, will build confidence and business for the company?

Anyone even remotely connected with advertising knows that

Hall's ad took a lot more sweat and thinking to produce. Sweat and thinking, we've been told, is one good reason an agency collects the 15% on space. Yet a 10-year-old could have written the Betz ad.

We recently saw some more epic 10-year-old-brain ads. Two come to mind: Associated Spring's full-page management ad which says, "There's nothing more versatile than a spring" under a big picture of a spring and a small pic of a spring on a feather, and Bell Telephones' lugubrious blast (also in a management mag) about "The trust you have placed in us," in which the copy reads like a grammar school valedictorian's address. Take to the hills men.

Straightforward sell from the carriers

Our recent blast at freight advertising painted a pretty dreary picture of most carriers' efforts. But American Airlines is a thankful exception. Their latest Business Week ad carries some really useful information for the shipper. A pointed label-head announces: "American's Distribution Consultant Service for Management" tells how American offers to help management evaluate distribution by air through a comprehensive study of a company's product and its markets by distribution experts. Makes sense and very probably will make customers for the airline as well.

code as he has fought other legislation. He believes the public is becoming better & better informed on prices, including drugs, and that public opinion will finish restricting measures, "especially if times get tight." Schwegmann says there are some drug & toiletry items he cannot buy, while "some manufacturers which used to sell directly to me now make me buy through jobbers or wholesalers."

► The question, of course, is the extent to which anti-fair traders like Louisiana's Schwegmann exist in other non-fair trade states. To find out whether standard outlets of drugs & toiletries are beginning to suffer in those areas from discounting practices or are price cutting themselves, Tide interviewed retailers in the non-fair trade states.

In Atlanta (Georgia's fair trade law was invalidated by the Supreme Court roughly two years ago), the assistant manager of the Lane-Rexall store says "We try to meet it." At Walgreen's, the assistant manager reports, "Naturally some drug and toiletry manufacturers still suggest prices on nationally distributed items, but there is no way for them to enforce those suggestions here. Colgate-Palmolive especially suggests prices, but it's not effective. We're a cut-rate store, with high traffic items and we're glad fair trade is out."

However, at a Lane-Rexall store in Little Rock (Ark.), manager Leon Smith says, "At least 90 to 95% of both drug and toiletry makers are attempting to enforce fair trade by suggestions—that is with prepared price lists. All drug chains and drugstores that I know anything about are going along with the manufacturers in their suggested fair trade," and hopes the voluntary suggested list price practice continues. He admits, though, "that there is an ever increasing degree of competition and that the ultimate result will probably be a complete fadeaway of fair trade."

In Virginia, fair trade was not declared illegal, but it's called inoperative because of conflict with an existing "cost-plus" law by which a retailer can't sell any item for less than 6% above cost. The law, of course, is no help to high markup.

In Richmond, the two big drug outlets are Standard Drug Co. and People's Drug Store. Says Leonard P. Chandler, manager of the largest store in the Richmond area, a supermarket type Peoples Store in the \$6,000,000 Willow-Lawn Shopping Center: "The two big stores sort of set the pattern. Chandler himself favors fair trade but says, "It's on its way out in the drug and toiletries field." Phillips Milk of Magnesia and Gleem toothpaste are two items which he still sells at a

suggested price, but he adds "that Bayer aspirin, which is suggested at 100 for 62¢, now sells in both Standard and Peoples for 49¢ per 100. The price began as a special with us, Standard took it up, and now it's everybody's everyday price." Adds Neil E. Wessells, regional manager of Peoples Drugs, his units have dropped prices on about 40 items altogether.

Sametime, a pharmacist who owns a chain of "independents," says, "There hasn't been any particular change in prices, except on some fast-moving items. We've been on the suggested price level, but we might be forced to match competitors."

In Michigan, the president of a large chain (125 stores in the Detroit area) says "the drug market is chaotic in Michigan." Despite the fact that the chain runs full-page ads showing low prices on many items, this official says we're really in favor of fair trade and would like to see it come back. We do as much of our pricing as possible along fair trade lines—the manufacturers' recommended prices. We don't instigate price cuts, but, of course, we have to meet them when they are started by cut-rate druggists, discount house merchants and the 'pine boards.' The little cut-rate druggist who rents a store, sets up a few pine board shelves and goes into business with low overhead and no service."

The same official adds that "you get to know which manufacturers will insist on fair trade prices—that is, recommended prices—and they will cut down orders they suspect of being bootlegged, or they simply won't ship to own discount operators. I mean firms like Parke, Davis, Lilly, Squibb, and the high class cosmetic makers, Revlon, Coty, Hudnut, etc. They sell their goods direct to druggists, not through bidders, so they can keep control of their distribution."

This man thinks articles like toothpastes and shaving creams and "certain less popular medicines" hold the suggested price line simply because the margin is small and the discounters don't seem to pick on these items. But he thinks other items like soap, aspirins have lost their suggested price status entirely.

W. Lee Smith, president & treasurer of the Lewis & Smith Drug Co., Inc. (Omaha, Neb.), believes fair trade practices are absolutely on the way out in all merchandising areas. "The whole thing will seem silly when we look back on it in a few years." Smith and his firm were instrumental in outlawing fair trade in Nebraska. He won a much-publicized suit against an appliance manufacturer. Smith says he knows of no attempts to "force" drugstores to sell items at suggested prices,



Excerpt from Starch 51st Consumer Magazine Report:



93.8% of all

Elks Magazine households surveyed own one or more automobiles. Each 100 **Elks Magazine** households own **122.4** automobiles.

In the car ownership classification, **The Elks Magazine** leads all others appearing in the report.

Case Histories on products in use

Photographic and reporting assignments covered throughout North and South America
MARKET 2-3966 for advertising, editorial or research purposes

SICKLES Photo-Reporting SERVICE
38 PARK PLACE • NEWARK 2, NEW JERSEY

Want Reprints?

Reprints of "Engineers are paid to read industrial ads" (Tide, Feb. 8), the first article in Tide's extensive industrial advertising coverage program, can be obtained by writing:

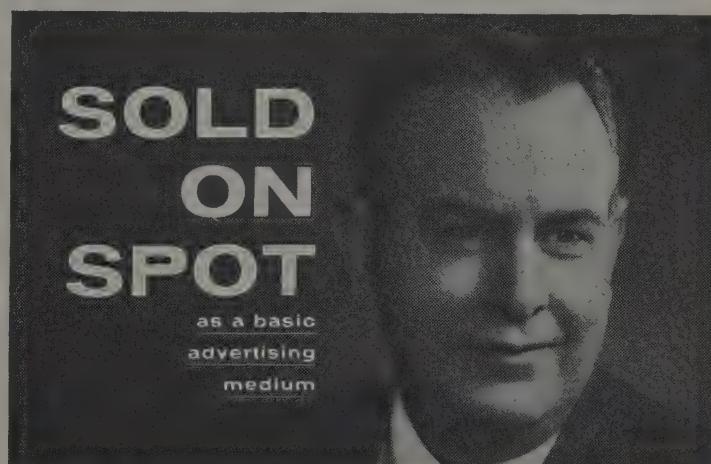
Reader Service
Tide
386 Fourth Ave.
New York 16, N.Y.

1,176,014 Elks comprise a mass market with class incomes the median of which is \$6,050. The Starch 51st Consumer Magazine Report gives the complete picture. Just write or phone to see a copy.

THE **Elks** MAGAZINE

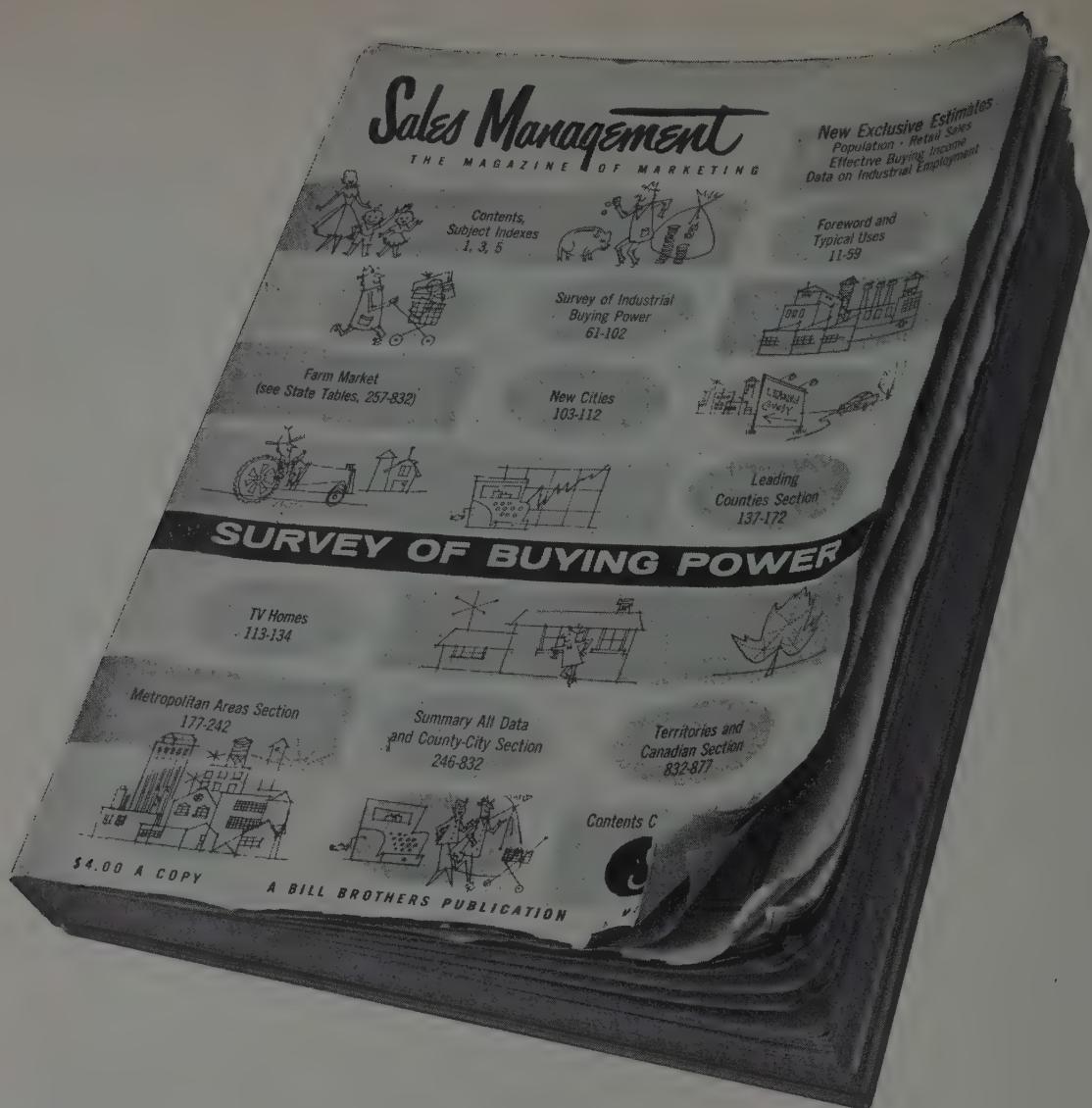
New York Chicago Los Angeles Portland, Ore.

ADVERTISERS WHO LOOK FOR FAST RESULTS ARE



JAMES W. AUSTIN, Vice President in Charge of Sales and Traffic, Capital Airlines, makes it clear: "Capital's problem is to sell seats and sell them right now. Reaching the business market with a sales-story that can change as quickly as the weather—and that varies in every city—calls for the coverage and flexibility that only Spot can give."

NBC SPOT SALES



Our job is to minimize the unknown.

Sales Management
THE MAGAZINE OF MARKETING

NEW YORK • CHICAGO • SANTA BARBARA

**Paul Smith
finally quits:**

Two months after his magazines were shot out from under him, Crowell-Collier chairman and president Paul C. Smith finally resigned last Friday, along with his editorial director and long-time newspaper associate Vance Johnson.

Something of a surprise is his replacement as chief executive: vice-president and ex-American magazine editor Sumner Blossom, who's upped to executive vice-president. Posts of chairman and president will remain vacant for the time being. Blossom will administer these remains of the C-C empire: the book division, the record clubs, station KFWB (Los Angeles).

**Watch for
merger of
magazine groups:**

The magazine industry, whose confidence has been shaken by the folding of several major magazines, may finally get the industry-wide promotion it's looked for so long.

To achieve this, there's a strong possibility that these four major magazine organizations may merge: Magazine Publishers Assn., the group whose prime interest is in management affairs, circulation problems and industry-government relations; Magazine Advertising Bureau, the budget-shy promotional organ; Publishers Information Bureau, which compiles vital media statistics; Periodical Publishers Assn., the agency credit clearing house supported by Curtis, Hearst and McCall.

Here are the reasons why the move is contemplated:

- There's considerable feeling among several influential publishers that the MAB is distinctly limited as a promotional and sales arm of the magazine business, primarily because its funds are inadequate. One magazine executive hints that MAB, if it were a division of the powerful MPA, would then come in for a lot more notice (and money) from top magazine management, which has been notoriously uncooperative where industry-wide sales promotion is concerned. In short, MAB may be much more effective as a part of a unified organization than it is as an independent entity.
- PPA is in a particularly tough position right now. One of its four supporters, Crowell-Collier, is no more, which throws the whole burden of financing it on the remaining three. Moreover, the agency-publisher consent decree sharply reduces PPA's effectiveness so long as it remains independent. Until the government anti-trust suit, PPA functioned as a credit reference for the whole industry. Now, however, PPA can no longer publicly issue credit recommendations and without it, non-member magazines have a harder job determining agency credit. The logical way to make PPA credit ratings available to most publishers is to merge the organization into MPA.

While the proposed merger is still very much in the talking stage, the talk is nevertheless very active and very serious. Major stumbling block: resistance of many MPA members to taking in PPA, which would cost them additional money and might possibly involve them with the Justice Dept. again. (If PPA stays outside the merger, it probably will be dissolved.) Sametime, all four organizations have strongly interlocking membership, and majority sentiment seems to favor merger.

**Beseiged
broadcasters
fight back:**

Worried by intensifying attacks on it by congressional committees and private censorship groups (e.g., the west coast's National Assn. for Better Radio & TV) the broadcasting industry through the National Assn. of Radio-TV Broadcasters will mount an ambitious public relations campaign to repair its reputation with the U.S. public.

NARTB's long-range goals:

- To engender greater public comprehension of the vital contribution that the American system of free broadcasting makes to our country and its people.
- To create a favorable environment for the preservation and prosperity of the industry under the free enterprise system.
- To anticipate attacks on the industry, forestall them if possible, counter them if necessary.
- To remind the public continuously of the positive benefits of advertising to our free enterprise system.

**ABC claims
second place:**

The revitalized American Broadcasting Co. flexed its muscles last week in an elaborate mass presentation which jammed the grand ballroom of New York's Waldorf-Astoria Hotel.

Major theme of the presentation: ABC has arrived as a competitive network. Moreover, it's claiming number two spot in programming, which means the knives are out for NBC. To back up its claim, ABC uses competitive, fully-sponsored time periods, which show a Nielsen Average Audience rating of 28.1 for CBS, 21.1 for ABC, 18.6 for NBC.

**Stable year
for farm
publications:**

Advertising volume in farm magazines rose only fractionally (0.1%) in 1956, to \$53,900,507 (general monthlies were up 14.9%, weeklies 10.8%, shelter magazines 11.9%; only women's magazines recorded a loss—1.1%).

For farm publications, a decline in consumer advertising volume was just about offset by a sharp rise (25.6%) in primary agricultural products.

**Crowell-Collier
hearings
drag on:**

More than a month after its inception, the Securities & Exchange Commission public hearing on the now-famous Crowell-Collier debenture sale is still piling up mounds of testimony. The net result: precious little so far.

The spate of early revelations (e.g., the force-out of C-C's old management as a condition by broker Edward Elliott of his handling of the sale) has pretty well petered out.

Major action at the hearing has been a steady parade of debenture purchasers, who've testified to substantial resale of the debentures to friends and associates. In short, the issue, originally sold to a group of "sophisticated" investors numbering fewer than 30, has been distributed in ever-widening circles. Sametime, a considerable number of the bonds have been converted into stock which has been resold at a pretty handsome profit.

SEC, however, hasn't yet been able to prove collusion between buyers and sellers. Debenture holders have testified that neither Elliott & Co. nor C-C were informed of the resale.

Unless SEC can prove that the sellers were aware that the sale was public rather than private (and therefore subject to SEC registration and disclosure rules), the commission won't have much of a case. One big point yet to be cleared up: J. Patrick Lannan's key role as organizer of the buyer group.

faces of the fortnight

Grinstead brings diverse background to Willys post

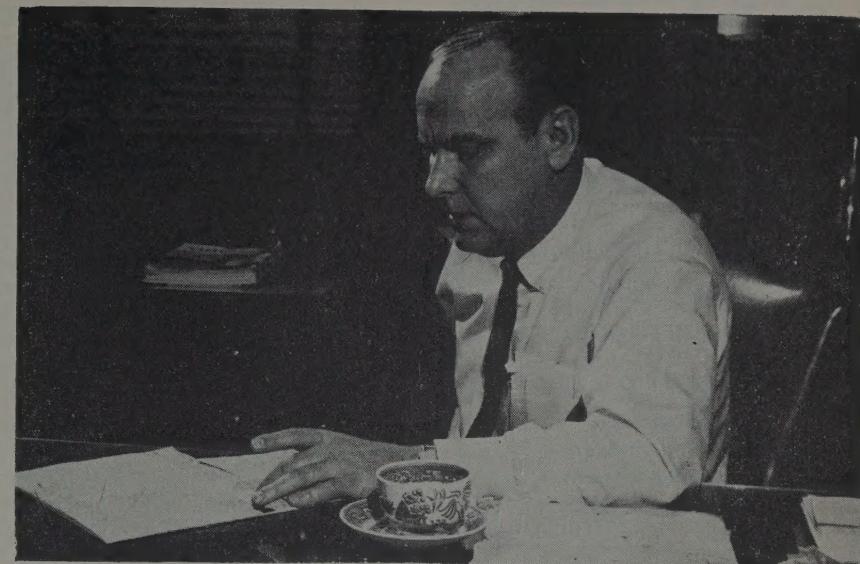
As the new advertising & marketing director for Willys Motors, Charles Grinstead is a key executive in an unusual automotive market. Willys' specialized, rugged four-wheel Jeep not only has little competition, but its dealers get much less pressured for high volume than auto dealers generally and consequently enjoy a comparatively high profit margin.

Moreover, Grinstead has taken over a time when Jeep sales are doing well indeed. December sales of Jeeps, jeep trucks and other Willys commercial vehicles were 33% above the monthly average for all of 1956 and total deliveries were higher than in any month since October, 1954.

Into this fair-weather picture Grinstead brings 23 years of diversified mining and automotive experience, starting as a stock clerk in the parts department of a Des Moines truck firm

1934, he worked his way through World War II as a vehicle operation and maintenance specialist, in 1945 joined the then-new Kaiser-Frazier organization, eventually graduated to general manager of the merged Kaiser-Willys Canadian operation before taking over the new post in Toledo.

Grinstead will be responsible for directing the company's \$1,800,000 advertising budget (including about \$100,000 for merchandising programs, sales promotion and dealer develop-



Willy's Grinstead: Fair-weather signs in December

ment). About \$900,000 will go to magazines, about 45% into mass-circulation magazines, 55% for business publications. Grinstead will follow Willys' policy of not using television because he believes many segments of the markets it wishes to reach (e. g., farm and ranch owners) are not within TV transmitting areas. Instead, he expects to make extensive use of direct mail material and instruct dealers on how to distribute it effectively.

Grinstead must also guide the selling approach to the nine major markets which furnish the bulk of business for

the four-wheel Jeeps: farm, which accounts for 32.3% of Jeep sales; natural resource industries, 9.1%; automotive services, 7%; rural non-farm, 6%; construction, 5.6%; state, county and city governments, 5.4%; public service (utilities), 3.9%; manufacturing, 2.9%, and building trades, 2%.

With his six-foot, 200-lb. frame and friendly personality, Grinstead looks and acts like the prototype of the American "self-made man." He dresses conservatively, drinks up to a dozen cups of coffee during frequent 10 to 12-hour workdays. Recreational interests include swimming, photography and fishing, although he admits he doesn't have too much time for these. He lives in Toledo with his wife Dorothy and 15-year-old son, Charles, Jr.

EXECUTIVES AT EASE

advertising & merchandising director for Philadelphia's Pucker Distiller products, R. Robert Smith's forte is advertising. After hours, it's photography. In the summer of 1955, mindful that few people ever see a likeness of a well-known artist, Smith undertook a series of photographic portraits of the outstanding painters and sculptors in the Philadelphia area. This month, the photo series is on display at the Philadelphia Art Alliance, from there it will go on to a March exhibit in galleries of the Butler Institute of American Art in Youngstown (Ohio). Smith regards his photo efforts "extremely rewarding in the creative sense, as well as a fine source of relaxation."



Smith and painter Martin Jackson

Johnson reviews role in growth of Gerber

In 1928 Earle L. Johnson joined the Gerber Products Co. to introduce a product line then considered by the trade as sheer folly: an untried, unasked-for line of baby foods. After all, who would buy a 4½-oz. can of strained peas for babies when all retailers stocked a 21-oz. can of peas that regularly sold for 10¢? So many people did, however, that Gerber sales today are running better than \$100 million annually, and its strained foods lines have 47½% of the industry market.

This month Earle Johnson retired from his post of marketing vice-presi-

It's 2 to 1..

in fast-service
eating places,
twice-the-turnover
per seat means...

**MORE Meals
MORE Sales
MORE Profits**

NO MATTER WHAT YOU CALL THEM

Coffee Shops
Confectionery Stores
Counter Restaurants
Department Stores
Diners
Drive-Ins
Drug Stores
Fountains
Industrial Cafeterias
Luncheonettes
Sandwich Shops
Variety Stores

NO MATTER WHERE YOU FIND THEM

Airports
Bus Terminals
Railroad Stations
Main Streets
Main Highways
In Industry

THEY ALL HAVE ONE THING IN COMMON—

FAST SERVICE

To effectively reach this
specialized market specify
FAST FOOD
for an advertising schedule

FAST FOOD

the magazine serving counter
and fountain restaurants

**386 FOURTH AVE.
NEW YORK 16, N. Y.**



dent (he will stay on as a Gerber director). As much as any other Gerber executive, Johnson helped develop the company's leadership in the industry.

While food broker and salesman in the decade after World War I, he built a nation-wide acquaintance with other food brokers, with chain and wholesale distributors. He also had a good knowledge of food merchandising, a decided asset during his early efforts with Gerber.

"We weren't simply selling merchandise," he reflects, "we were selling an idea—the idea of substituting commercially prepared baby foods for those prepared in the home." Gerber's sales efforts were triple-pronged, aimed at doctors, mothers, retailers. Mothers were not difficult to convince, Johnson recalls, when physicians finally showed confidence in the products. But only in rare instances was the trade enthusiastic. Eventually, with increased assurance that doctors would recommend it and mothers would buy it, the retailers began stocking the baby food line in quantity.

Throughout the sales history of the foods, Gerber's adhered to a policy of "absolute honesty," says Johnson. "The merchandise was represented for what it was and what it could do . . . In the light of more modern promotion of new products, [our policy] seems comparatively fantastic because there were no quick deals, no contests, no premiums, no exaggerations."

Notwithstanding the company's increased volume and its sales growth, Johnson found his greatest satisfaction in the seeing of the development of Gerber as an organization. "To watch men develop from young struggling, hard-working salesmen to administrators of responsibility and substance," he says, "and to see them in turn employ, train and develop men in the patterns they had developed for themselves—that's the accomplishment that thrills. The results are inevitable."

Johnson, now 65, will spend more time now at his Michigan summer home and hunting and fishing cabins—and play golf. A long-time officer of the Boy Scouts of America National Council, he also expects to devote more time to activities in that organization.

Succeeding Johnson is Joseph H. Bagley, formerly vice-president & general sales manager. Bagley will bring to his new job his experience in Gerber's international operations as president and a director of Gerber Products Inter-American Co. and as a director of Gerber-Ogilive Baby Foods, Ltd., of Canada. He began as one of Gerber's first salesmen in 1931, was named general sales manager in 1948. He lives in Fremont with his wife. ■

Tide

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LEXington 2-1760

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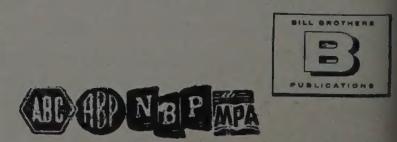
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Circulation Director R. E. Smallwood



Media salesmen

rs:

have just finished reading the December 30th issue of *Tide*, and enjoyed every article in your excellent publication.

My purpose in writing to you is to comment on your article, "Do Media Salesmen Do Their Jobs?" I believe I've read about two dozen articles on this subject, and all of them made me mad.

Agency men and advertisers are too quick to complain that media salesmen don't know enough of the client's problems. Why should we expect them to know our business? To please all of us, a media man would have to spend 25 hours a day studying sales reports, merchandising problems, personnel limitations, packaging, manufacturing techniques and numerous other details of each of his advertising accounts, plus their competitors. If media men did attempt to educate themselves, how many advertising managers would take the time to help them get all of the information needed to do a thorough job?

I believe media salesmen should spend more time learning their own media. They could be able to tell us, the buyers, what their media can offer . . . how many people they reach . . . what kind of people . . . what age . . . what are their habits . . . what income . . . where they live . . . what they buy, and why . . . how much they spend for various commodities. This information media salesmen should be filled with.

It is our job, as advertising managers and agency men, to study our individual problems and come up with the much-needed stronger, more interesting selling approach. Our complete understanding of the product to be advertised, plus the proper info from the media salesmen, would result in wiser buying of advertising space and time.

Isn't this the way to do a thorough job . . . asking each man to do a complete and intelligent job in his own field, then binding all parts together into a final composite plan?

Ray Milici
Milici Advertising Agency
Honolulu

BC board

ead your January 25 issue with interest. usual, found it quite informative. However, your green-sheet "Media Forecast" contained a reference to ABC which I would like to give you supplemental data. ABC not only has the come mat out for new advertiser members but for new advertising agency and publisher members too. We think our membership balance is a good one and believe that it is in the best interests of

the entire industry to have more members in every classification.

It seems to me that the ABC "balance" which should be most important to the readers of *Tide* is in the make-up of the Bureau's Board of Directors, where buyers of advertising space have always had the majority voice.

Alan T. Wolcott
Vice-President
Audit Bureau of Circulations
Chicago

Hangover

Sirs:

We have enough split runs in Southern Beverage Journal to give us a "splitting headache." However, for the rate involved, we can buy sufficient aspirin.

In *Media Forecast*, January 11, 1957, we note that *Tide* states "such split runs are unusual in the business paper field."

For many years now, we have been offering our advertisers split runs. We circulate in eight southern states, and our run may be cut up into any one or combination of these states. As a matter of fact, in Florida we have four distinct markets and we will sell any one or combination of them. If an advertiser asks, we will give him circulation by city. Some brands are advertised as 90° in two states, 86° in the other six states and in three of the six states, it is advertised as a blend, while in the other five it is a blend of straight bourbon.

Now do you see what we mean by a "splitting headache"?

Marvin Levin
Publisher
Southern Beverage Journal
Coral Gables

In a word—yes.—Ed.

Norge

Sirs:

Judson Sayre has asked me to tell you that he thought your article in the January 25 edition put in writing many of the things we are trying to do here at Norge, especially our philosophy that the dealer and his salesmen are all important.

Since your article has appeared in print, Mr. Sayre has received many letters complimenting him on his stand in behalf of the independent merchant.

As for the public relations director, he has received a number of comments on his diplomacy in supplying Hollywood pictures of the advertising people which contrast sharply with his own unretouched portrait. Seriously, we appreciate your cooperation very much. . . .

A. J. Tobin
Norge
Chicago

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FOOTNOTES

Advertising and the marketing concept

A couple of weeks ago Fred J. Borch, vice-president—marketing services, General Electric Co., made some cogent remarks on marketing before the American Management Association's annual marketing conference. In effect, Mr. Borch interpreted the growing shift from a sales to a marketing concept for sales, advertising and marketing executives, perhaps as well as it'd been done in recent years.

The shift, according to Mr. Borch, represents a return to the days before mass communication, national markets and mass production, when businessmen knew their customers personally. "Their customers were customer-oriented because they knew this was the only way to run a business." He pointed out that as a company grows in size, its potential ability to drift away from customer orientation grows proportionately, but as its size increases, so also does its need for awareness of the customer's needs. The marketing concept, he believes, is a modern-day recognition of this dilemma.

Marketing as a philosophy rests on two key fundamentals, according to Mr. Borch. One is understanding that "we in marketing must focus our businesses on the customer's needs and desires, including those needs and desires that the customer is not aware of as well as those he knows all too well. Only after identification of these needs can marketing people take the lead for the business in determining what each function of the business should do by way of product and service to satisfy them" and then in persuading the prospective customer through selling and advertising to purchase the products and services developed.

Mr. Borch's second fundamental of marketing philosophy is that it is rooted in the profit concept, not the way of obtaining profits from the efficiency of the service rendered—I am referring to the profitless volume or volume-for-the-sake-of-volume-alone concept."

He identified three major economic trends that are forcing acceptance of the marketing philosophy. Opportunities for error in planning how to please the customer are mounting with the consumer's multiplying alternatives. The pride of error is becoming ruinous because of the mounting cost of plant and distribution structures. The heavier demands put on the company's internal communication and decision process are straining the machinery for getting information delivered and decisions made.

In these problem areas, said Mr. Borch, "an awareness of the marketing philosophy can help us over what otherwise would be unsurmountable hurdles." The marketing concept can clarify responsibilities, improve decisions and tighten the time lag between decision and action.

At GE, Mr. Borch is applying the marketing approach to the vacuum-cleaner business so that engineering, manufacturing and sales decisions are made on the basis of a sound analysis of what the customer really needs. The planning is now long-range; more work is delegated to the marketing staff, leaving the general manager and the marketing manager free to devote more time to fundamental business problems; advertising and sales promotion copy reflects real sales appeals; dealers are selling with the same story that advertising tells; and engineers are designing the product with advertising and sales considerations in mind.

"If we organize our policies around those factors which are mutually important to the customer and to our profits we will find a real community of interest between the producer and the consumer. This is the marketing philosophy and its realization and practice can change the way of life in the world no less than did the industrial revolution of many years ago."

We think Mr. Borch is right by and large, but we also noted some other remarks made a little time ago by C. W. Kohlman, advertising manager of American Cyanimid Company's industrial chemicals division before the Industrial Marketers of Detroit. In the course of an interesting speech, Mr. Kohlman said "The new marketing concepts put everything together to achieve total impact. What is the object if it isn't to project a consistent and total image and identity? . . . I submit that it's time we stopped burying advertising among all the other concepts in the marketing picture. Advertising is more important than most other items. In fact, remember that the normal consumer . . . has only two points of contact with your firm . . . your product . . . and your advertising."

We are certain that Mr. Borch would agree that advertising has a special importance and it would seem that GE has successfully integrated it into its marketing concept without loss of effectiveness. For other businesses anxious to adopt the total marketing concept, however, Mr. Kohlman's statements are a clear warning that your advertising can suffer as a result.

The Editors